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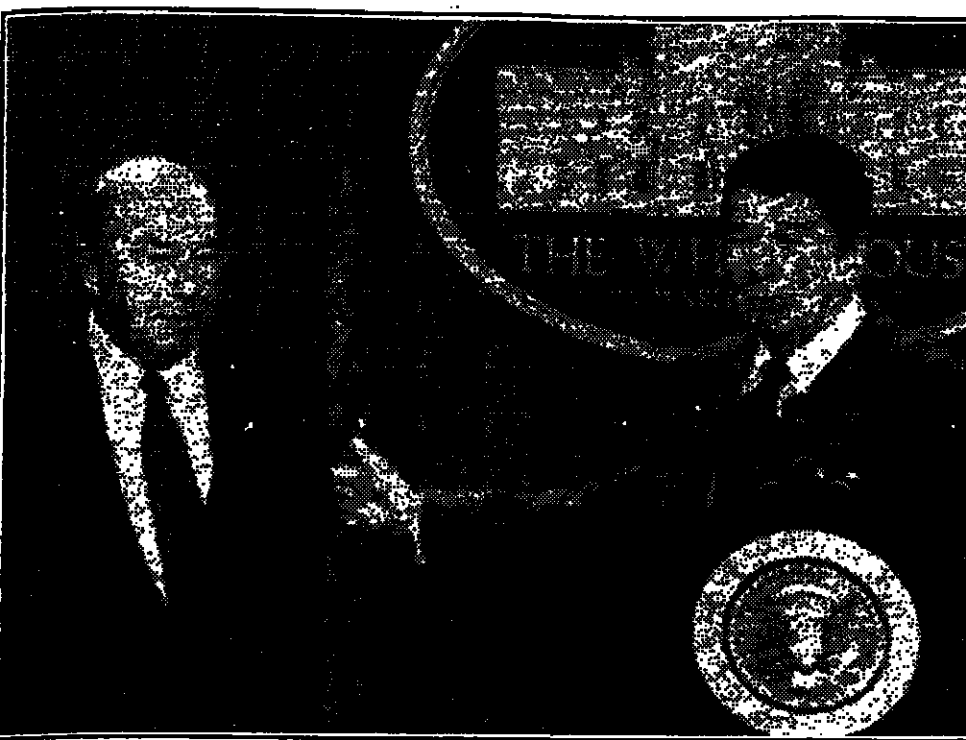
# Herald Tribune

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PARIS, SATURDAY-SUNDAY, SEPTEMBER 19-20, 1987

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President Ronald Reagan handed the podium to Secretary of State George P. Shultz after announcing agreement with the Soviet Union on scrapping intermediate-range missiles.

## U.S., Soviet Reach Arms Pact

### Treaty to Be Signed at Fall Summit

By Lou Cannon  
Washington Post Service  
WASHINGTON — President Ronald Reagan said Friday that the United States and the Soviet Union had reached "agreement in principle" on an Intermediate Nuclear Forces treaty that will be signed at a fall summit meeting here.

The announcement capped a week of marathon negotiations between Secretary of State George P. Shultz and Foreign Minister Eduard A. Shevardnadze on a range of U.S.-Soviet issues, including human rights and Afghanistan. Agreement on key provisions of the INF treaty to scrap U.S. and Soviet nuclear missiles with a range of 600 to 3,000 miles (1,000 to 5,000 kilometers) was reached Thursday in a nine-and-a-half-hour session.

"The road to an agreement turned out to be more difficult than anyone had thought," he said. "We have experienced a complex spectrum of emotions, from anxiety to a strong emotional uplift," he said. "The day before yesterday, I said to Secretary Shultz that it is time to bring in the harvest. And he agreed."

West Germany would be willing to scrap the missiles. [West Germany said Friday that it would dismantle its 72 Pershing-1A missiles "at the moment when American and Soviet INF missiles are eliminated." Agency France-Press reported from Bonn.]

### Kiosk

#### Japan's Growth Grinds to Halt

Japan's economic growth slowed to a halt in the second quarter of the year, causing fears that the country's economic policy will come under renewed attack from abroad.



Beryl W. Sprinkel, President Ronald Reagan's chief economic adviser, is resigning. Page 11.

### Full Text of 'Agreement in Principle'

WASHINGTON — The following is the full text of the U.S.-Soviet joint statement released by the White House on Friday:

The secretary and the foreign minister also discussed regional issues. The two sides discussed a broad range of issues concerning bilateral relations. A work program was agreed to be implemented in 1987-88, designed to intensify joint efforts in various areas of U.S.-Soviet cooperation.



Foreign Minister Eduard A. Shevardnadze gestured as he left the State Department late Thursday after talks on nuclear missiles with Secretary of State George P. Shultz.

### Possible Soviet Gain Is Seen By Analysts

WASHINGTON — U.S. defense analysts, reacting to the U.S.-Soviet agreement to scrap intermediate-range nuclear forces, said Friday that the accord could boost the Kremlin's military leverage in Europe unless the NATO allies bolster their conventional forces.

Separately, U.S. allies warmly welcomed the announcement of the accord. But some military experts say they are also concerned that Moscow could undermine the pact by aiming strategic, or long-range, missiles at targets now selected for Soviet intermediate-range weapons.

In Bonn, Chancellor Helmut Kohl called the agreement the "first major disarmament achievement" to date. He said West Germany had made "a decisive contribution" to the accord.

### Path to a Pact: Key Events

1977: The Soviet Union begins deployment of SS-20 missiles.  
1979: NATO decides to base 572 U.S. Pershing-2 and cruise missiles in Europe.  
1981: Negotiations on intermediate-range forces begin in Geneva in November.  
1983: Washington discloses that one of its negotiators, Paul H. Nitze, and a Soviet negotiator, Yuri A. Kvitsinsky, reached in-

formal agreement in July 1982 for each side to cut back to 75 missile launchers. The idea was vetoed by both governments. In November, the first cruise missiles arrive in Britain. On Nov. 23, Moscow suspends negotiations.  
1986: The Soviet leader, Mikhail S. Gorbachev, in January proposes complete elimination of U.S. and Soviet intermediate-range forces in Europe over five to eight years, provided Britain and France do not build up their nuclear arsenals.

### Iran Panel's Draft Study Said to Focus on Contras

By David E. Rosenbaum  
New York Times Service  
WASHINGTON — A preliminary report of the congressional committee that investigated the Iran-contra affair concludes that the driving force behind the continued U.S. arms sales to Iran was the desire of some administration officials to raise money for the rebels in Nicaragua, according to several members of the panel.



A woman and a child on a street in Basra, Iraq, on Friday, a day after Iranian shelling.

### Biden's Clouded Future

#### Plagiarism Affair Hurts Campaign

By David S. Broder  
Washington Post Service  
WASHINGTON — The timing and character of the controversy that has erupted around Senator Joseph R. Biden Jr.'s fledgling presidential campaign make the plagiarism question a serious problem threatening his political future, political insiders in both parties said Thursday. But most said it was premature to write him out of the race.

### Making Do on the Iraqi Front

#### In Shattered Basra, Tomorrows Are Full of Uncertainty

By Alan Cowell  
New York Times Service  
BASRA, Iraq — Personally, said Halid Jamir Bohus, an ice-cream maker, he had got used to it, living within a shell's drop of a front line. But his birds, he said, in a resigned way that admitted some humor, they felt it. He gestured to a cage with a budgerigar, all blue and emerald.

### GENERAL NEWS

- FBI agents made use of a drug lure to trap a Shiite Muslim hijacking suspect on the Mediterranean. Page 5.
- Judge Robert H. Bork denied that he would press a conservative political agenda on the Supreme Court. Page 3.
- Another "hacker" intrusion has raised the issue of whether any computer is secure. Page 2.
- ARTS/LEISURE
- Art lovers can see some unexpected masterpieces in Turin museums. Page 6.
- BUSINESS/FINANCE
- Robert Maxwell, the British publisher, raised his holdings in two banking groups. Page 13.

Dow close: Down 3.26  
The dollar in New York:  
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International Tribune



# Poland Prepares Reform Of Stagnant Economy

## But Failure to Solve Political Conflicts Dampens Hopes for Plan's Success

By Jackson Diehl  
New York Times Service

WARSAW — Poland's Communist leadership, inspired by the example of Mikhail S. Gorbachev, is preparing to launch a major new program of economic reform. But the country's failure to resolve the deep political conflicts of the Solidarity era is dampening hopes for meaningful change, according to government officials and political activists.

After months of remarkably open national debate, a special government commission is due to present a broad plan for changes in the socialist economic system next month that should, at least in theory, rank Poland among the leaders of such East bloc reforms.

Drawn up in the face of long-lasting economic stagnation, the program represents the first comprehensive reform effort in Poland since the banning of Solidarity, the independent trade union movement. Officials say it will fundamentally change the nature of Communist rule in Poland, decentralizing power and significantly expanding opportunities for private enterprise.

"There are going to be great changes in Poland in the last quarter of this year," said Jerzy Urban, the government spokesman, "above all in the economic sphere, but also in political life."

Western diplomats and activists of Solidarity, which still functions in a semi-clandestine form nearly six years after its suppression under martial law, agree that the new plan is ambitious. But like some associates of the Polish leader, General Wojciech Jaruzelski, they ask whether it will be possible to implement the reforms in the face of stiff resistance from an entrenched bureaucracy and a distrustful society.

It is generally acknowledged by government leaders that the last reform program, adopted in the last weeks of Solidarity's existence in 1981, never was effectively carried out. Published government polls show that most of Poland's 38 million people do not believe that further reforms by General Jaruzelski's government will improve the country's situation.

General Jaruzelski, analysts say, is still haunted by the political legacy of his suppression of Solidarity. Without the help of the union, its followers, or the Roman Catholic Church, the government can have

little hope of making Polish society believe in its policies, they say. Yet without public support, critics say, the Jaruzelski team may be too weak to implement even well-designed reform plans.

"Jaruzelski will probably attempt far-reaching changes," said Bronislaw Geremek, a leading adviser to Lech Walesa, the founder of Solidarity. "But he is totally blocked and hemmed in politically. Jaruzelski supports Gorbachev's ideas. But he does not know how to realize glasnost, or political opening, in Poland without Solidarity. And he is not willing to try it with Solidarity because he is afraid of losing control of the country."

The course of reform in Poland is particularly important because General Jaruzelski has emerged as the most enthusiastic supporter of Mr. Gorbachev and his policies in an Eastern Europe otherwise ruled by veteran traditionalists.

While neighbors such as Czechoslovakia and East Germany have appeared half-hearted in following Mr. Gorbachev or even openly resisted, General Jaruzelski has attempted in the last six months to use the climate of renewal created by the Soviet leader to break the long-standing stalemate in Polish political and economic life.

The momentum for economic reform began to gather when General Jaruzelski, anxious to refute charges that his economic policy consisted mainly of ordering periodic consumer price increases, ordered a special commission in March to draw up a comprehensive list of proposed revisions.

Since then several leading Polish experts on economic reform, after years on the political sidelines, have prepared detailed memoranda that are to be presented next month in the Polish parliament.

Some of the steps are familiar from policies carried out in Hungary and China that seek to use market tools of capitalism to make the socialist economy more efficient. Poles may soon be allowed to buy bonds and even stocks from state companies, for example, and the state monetary monopoly is to be broken up next year into a Western-style, nominally competitive banking system.

Several aspects of the Polish plan, however, make it at once more daring and more difficult than reforms attempted elsewhere in the East bloc. Officials say it will involve a significant expansion of private enterprise in Poland, easing controls on private businesses and allowing such new forms of enterprise as joint ventures between state and private companies in areas ranging from electronics to auto parts. This move is likely to draw resistance from Communist ideologues as well as workers who resent inequalities of income.

The other task faced by General Jaruzelski's planners is to end chronic shortages of raw materials, energy and consumer goods by balancing supply and demand. In many cases, this will require steep price increases and tough controls on wage-austerity measures that have been repeatedly, and successfully, bucked by Polish workers during the past five years.



**TRAIN CRASH** — Three persons were killed and 65 hurt when two trains collided Friday near the Austrian town of Lambach. One was running from Innsbruck to Vienna, the other was going from Vienna to Salzburg.

# Computer 'Hacking': Is Anything Secure?

By Barry James  
International Herald Tribune

A 17-year-old Chicago high school student, in another case of computer intrusion, has been accused of stealing \$1 million worth of software by breaking into American Telephone & Telegraph computer systems around the United States.

Prosecutors said the youth was also suspected of using a personal computer in his bedroom to break into NATO computers in North Carolina and Georgia and was "on the verge" of being able to disrupt AT&T's telephone network.

The report came after a Hamburg club of "hackers," as amateur computer enthusiasts are known, said this week that its members had broken into a computer network linking the National Aeronautics and Space Administration with research centers in Western Europe.

The news has raised this question: If amateur hackers can do it, what is to stop the Soviet Union from trying to break into sensitive Western computer systems?

The answer, according to security experts, is nothing. "I presume we are secure," a North Atlantic Treaty Organization official in Brussels said. "But if we are not, I don't think it's anything we would want to talk about."

A Pentagon spokeswoman in Washington said, "We have a number of measures and complete systems to preclude inadvertent or incorrect access to our computers."

Mike Ball of B.I.S. Applied Systems Ltd. in London, which specializes in computer security, said, "Keeping secrets is basically a question of how much you want to invest in countermeasures."

Mr. Ball said the recently reported hacking cases involved people breaking into systems through the public telephone network using modems. The obvious way of circumventing that danger, he said, is to communicate sensitive data only over privately leased lines.

In Washington, a NASA spokesman said that the Hamburg hackers had broken into a system that did not include secret information and that the data were carried over ordinary telephone lines.

Mr. Ball said it was possible to encrypt data, or to convert it into code, before storing it in a computer system. This makes information basically secure against outside intrusion, he said, but if done on a large scale can cost hundreds of thousands of dollars.

Hackers often exchange information about how to break into computer systems on electronic bulletin boards. Mr. Ball suggested that security experts also tap into the bulletin boards to discover any weaknesses in their own systems.

In addition, computers can be equipped with software to prevent hackers from running number-crunching programs designed to discover pass codes. "If you don't get the access code right after a couple of tries," he said, the system "automatically closes down and reports the fault."

Hans G. Nilsson, who is conducting an investigation on computer related crime for the Council of Europe in Strasbourg, France, said electronic espionage by the Soviet Union was a possibility, particularly if directed against companies that might have systems that are more vulnerable than those of tightly guarded defense ministries.

The question remains, however, about whether electronic spies are tapping Western secrets without being detected. "At a guess, not more than 5 percent of computer crime is detected," Mr. Nilsson said, "and when it is, it's often by chance."

Dr. Charles R. Smart, chief of the cancer institute's Early Detection Branch, said that if doctors across the country would recommend regular mammograms for their female patients over 40, the national death rate from breast cancer might be cut by 46 percent, as was seen in the study.

When mammograms were first being developed, they delivered significant radiation doses, raising concerns that if a woman was regularly tested over her lifetime, the cumulative radiation exposure might actually increase her risk of breast cancer.

But in recent years, technological advances have greatly reduced the radiation doses involved. At the same time, mammograms can detect many breast cancers too small to be felt during a physical examination.

The project, which involved 280,000 women, provided annual screening examinations, including a physical examination and mammography at each visit, for five years. The examinations revealed breast cancers in 4,257 women, who were then sent to their own doctors for treatment.

The new report, published in the September-October issue of Ca, the cancer society's journal, compares survival data on these women with detailed national breast cancer survival statistics compiled by the National Cancer Institute.

Several elements in the episode remain unclear from the American point of view, especially the plans and motives of the Soviet side, and the conference organizers hope to gain new information in that area.

Mr. Blight referred to some basic questions about the crisis posed in an interview by General Maxwell G. Taylor, the chairman of the joint chiefs of staff at the time.

"Why, oh, why did Khrushchev think he could get away with this?" Mr. Blight quoted General Taylor, who died this year, as asking, "Why, oh, why did he put the missiles in the first place?"

Mr. Blight said the Russians may well have their own questions about American actions. "From the Soviet side," he said, "the question might well be, why, oh, why did Kennedy decide to make a crisis out of it, since it didn't really become a crisis until he made his statement on television?"

"It's clear now that the Soviets were as shocked by that as we were by the fact that they put the missiles into Cuba in the first place," he said.

The planned conference was promoted by a meeting held in Florida in March, at which a group of Kennedy administration officials spent four days discussing the Cuban missile crisis. That gathering produced the idea for a further meeting that would include participants from what Mr. Blight called "the other variant," meaning the Soviet side.

The conference, which will take place Oct. 11 to 13 in Cambridge, Massachusetts, will include a closed-door session, a transcript of which will be made public after participants have reviewed it. There will also be several public discussions.

In one session, Mr. Bundy is to give a summary of conversations held during the crisis by Kennedy and several of his senior assistants that Kennedy secretly taped. Mr. Bundy has made a transcript of the tapes, the contents of which have never before been made public.

agreed to a formula by which the Soviet missiles would be removed in exchange for a U.S. pledge never to invade Cuba.

Among these will be Fyodor M. Burlatsky, who, as a speech writer for the Soviet leader, Nikita S. Khrushchev, drafted several of the major statements and communications addressed to the Kennedy administration by the Soviet side.

Also expected to attend are Sergei Mikoyan, an academic specialist on Cuba whose father, Anastas I. Mikoyan, was a close aide to Khrushchev, and Georgi Shuknarov, a senior staff member of the Central Committee of the Soviet Communist Party.

Organizers said that the three-day meeting, which will include closed-door and public sessions, was seen as an opportunity to explore some of the many remaining puzzles of an event that, many historians contend, brought the world closer to nuclear war than it has been before or since.

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"There's still a gap, since we won't have the real Soviet counterparts to people like McNamara and Bundy," Mr. Blight said.

But, emphasizing the unprecedented nature of a Soviet-American discussion of the crisis, he said, "It's enough to get the people that we have behind closed doors and see what comes out of it."

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On Oct. 22, Kennedy made a nationally televised speech announcing a naval blockade of Cuba. A tense week of negotiations and public statements followed, ending finally when Khrushchev

# WORLD BRIEFS

## Aquino Is Urged to Pursue Rebels

MANILA (AP) — Vice President Salvador H. Laurel said Friday that President Corason C. Aquino's cabinet shake-up would not bring political stability unless the president moved decisively against Communist rebels and expelled the military.

He said disaffection within the military posed a greater threat to Mrs. Aquino's government than the 18-year-old Communist insurgency. Rebel soldiers led an unsuccessful coup against Mrs. Aquino last month. Hours before Mr. Laurel spoke in an interview, about 150 guerrillas of the New People's Army ambushed a military convoy on Panay Island, 280 miles (450 kilometers) southeast of Manila. An army battalion commander and four other soldiers were killed, military officials said.

Mrs. Aquino told senators Friday that she was preparing to visit key military camps in the country to improve her relations with the 150,000 strong regular army and to support its anti-insurgency campaign.

## Soviet Diplomat Meets Senior Israeli

JERUSALEM (Reuters) — The head of the first Soviet consular delegation to visit Israel in 20 years met a senior Israeli official on Friday.

Yevgeni Antipov said his meeting with the Foreign Ministry director-general, Yossi Beilin, was devoted to consular questions that have arisen since Moscow broke ties with Israel during the 1967 Middle East war. Israeli officials said both sides had agreed to maintain a news blackout on the talks.

The Soviet delegation, which arrived two months ago, had previously met only Israeli consular officials. It came with the stated aim of documenting Soviet property and reviewing issues involving Soviet citizens in Israel.

## 4 Europe Air Force Chiefs in Accord

MADRID (AP) — The air force chiefs of staff of Spain, Britain, Italy and West Germany signed an accord Friday outlining the operational and technical features to be included in a European Fighter Aircraft that the four countries plan to build by the mid-1990s.

A Spanish Defense Ministry spokesman said the document was the last feasibility and operational plan expected before a required final decision on the part of the four nations to move toward development.

The EPA project began in 1983. Since then, three similar documents have been agreed upon. Britain and West Germany each plan to contribute 33 percent of the money for the project and order 250 of the planned 9.5-ton, 165-foot (50-meter) wing-span jets to be the countries' principal fighter jets after 1995, the spokesman said.

## Le Pen Defends Gas Chamber Remark

PARIS (AP) — Jean-Marie Le Pen, leader of the far right National Front, lashed out at his critics Friday, saying that the "pro-immigrant lobby" was conducting a witch hunt against him after comments he made about Nazi gas chambers.

In a statement to reporters at the National Assembly, Mr. Le Pen called on French Jews not to be frightened by "this campaign of lying," adding: "France has the same love for all of its sons, no matter what their race or religion."

On Sunday, in a radio interview, the National Front leader had referred to the Nazi gas chambers, used to kill Jews during World War II, as a "brotail" of history, a remark that brought widespread protests. He said Friday, however, that his full response had "left no doubt about what I think of the martyrization of the Jewish people of Europe by the Nazis and about the condemnation that I have for this crime."

## Extremists Raid Schools in Punjab

CHANDIGARH, India (AP) — Suspected Sikh extremists attacked schools with automatic weapons in five villages Friday, opening fire on Hindu teachers and killing a total of eight persons, the police said.

It was the second day in which attackers killed Hindus in the northern state of Punjab, where Sikhs are a majority. Seven Hindus were killed Thursday night at a Hindu bazaar in Amritsar.

A police spokesman said the attacks were in villages so far apart that more than one gang must have been involved. The attackers came in jeeps and sought out only Hindu teachers, he said.

## FAA Inspection Faults Delta Pilots

WASHINGTON (AP) — The Federal Aviation Administration said Friday that an inspection of pilots at Delta Air Lines has found frequent examples of poor communications and coordination and "lapses of discipline" in the cockpit.

In a report prompted by a series of pilot errors last summer, the FAA said the shortcomings were a result of a "lack of clear-cut, definitive guidance" from Delta's management. The FAA said that Delta pilots were in general compliance with safety regulations but that "instances of a breakdown of communications, a lack of crew coordination, and lapses of discipline in Delta's cockpits" were regularly observed.

Delta issued a statement saying the FAA had found nothing that was considered a safety violation and had levied no fines. The airline said it had already taken steps to resolve problems on flight crew coordination.

## TRAVEL UPDATE

Employees of Japan Air Lines and Northwest Airlines caused flight cancellations Friday at Seoul's Kimpoo International Airport as they pressed demands for higher wages and better working conditions. (UPI)

A 24-hour strike by Italian railroad engineers demanding higher pay and pension benefits ended Thursday after paralyzing most rail services across the country.

A fresh outbreak of yellow fever has been reported in northern Nigeria, the Ministry of Health said Friday. Since October the disease has killed more than 1,300 people in Nigeria. (Reuters)

## Correction

An article Tuesday incorrectly stated Moscow Narodny Bank Ltd.'s 1986 profit performance. The bank does not report pretax profit.

## Europe Offers to Launch Satellites for Indonesia

JAKARTA — Europe's Ariane-space consortium, buoyed by the success of its latest rocket launching, is offering to launch Indonesian satellites at a reduced price to entice business away from the United States.

Frédéric d'Allest, president of Ariane-space, was quoted Friday as saying the consortium has offered to launch Indonesia's Palapa B-2R telecommunications satellite earlier and more cheaply than the Americans could do it.

Mr. d'Allest spoke to reporters from the Indonesian newspaper Kompas and Suara Pembaruan at the Ariane-space center in Kourou, French Guiana, after the launching of two satellites Wednesday.

He said he made the offer during a previously undisclosed visit he made to Indonesia two weeks ago to meet the telecommunications minister, Achmad Taher, and the minister for research and technology, Yusuf Habibie.

Indonesia relies on satellite communications to link its archipelago of 13,000 islands, but setbacks in the U.S. space program have delayed the launching of Indonesian satellites.

Mr. d'Allest was quoted as saying the European space consortium was offering a price 10 percent under the cost of a launching by a U.S. Delta rocket.

It would be able to put the satellite into orbit in March, 1990, whereas the United States was not ready to launch it until the end of that year.

Kompas said a launching by a Delta rocket would cost \$60 million.

Mr. d'Allest said he had also discussed an Indonesian plan to build a launching center in the east of the country. Indonesia believes its position on the equator makes it ideally located for launching.

The Palapa B-2R was bought back by Indonesia from a consortium that financed its recovery after it was placed into an incorrect orbit during a U.S. Challenger mission in 1984.

Indonesia has until now relied on the United States for launchings, but it has become worried by delays caused by the explosion of a U.S. space shuttle. It has had talks with both the Soviet Union and China about using their launchers.

## Colombia Chief Ends His South Korea Visit

United Press International

SEOUL — President Virgilio Barco Vargas of Colombia left for home Friday after a three-day South Korean visit unexpectedly stretched to 11 days because of emergency surgery.

On Thursday, Mr. Barco met with the South Korean president, Chun Doo Hwan, and they announced a 19-point communiqué on economic and technological exchanges. Mr. Barco, 66, the first South American president ever to visit the country, underwent surgery for a perforated colon and peritonitis.

## Study Backs Earlier Mammograms

By Susan Okie  
Washington Post Service

WASHINGTON — Regular mammograms to check for breast cancer, widely recommended for women over 50, can also prevent deaths of women in their 40s, according to results of an American Cancer Society study.

In both age groups, women whose breast cancer was found while they were enrolled in a national study that included annual mammograms had survival rates substantially higher than expected from national statistics, suggesting that more cancers were detected at an early, curable stage.

Cancer experts predicted Thursday that the findings would likely lead to national recommendations that women 40 or older have a mammogram annually. A mammogram is a special type of X-ray used to view the breast tissue.

In the United States, breast cancer strikes about one out of

## Soviet Participants in Missile Crisis To Discuss the Affair at U.S. Meeting

By Richard Bernstein  
New York Times Service

NEW YORK — With the 25th anniversary of the Cuban missile crisis approaching, U.S. and Soviet officials, including some who were closely involved at the crisis unfolded in 1962, plan to meet to discuss the event.

The meeting, which is being sponsored by the Center for Science and International Affairs at Harvard University, will bring together such major Kennedy administration figures as Robert S. McNamara, who was the secretary of defense, and McGeorge Bundy, then the national security adviser, and at least three Soviet officials.

Among these will be Fyodor M. Burlatsky, who, as a speech writer for the Soviet leader, Nikita S. Khrushchev, drafted several of the major statements and communications addressed to the Kennedy administration by the Soviet side.

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AMERICAN TOPICS

An Early Example Of Robertson's Faith

In a profile of the Reverend Pat Robertson, who plans to announce his candidacy for the Republican presidential nomination Oct. 1, The Washington Post recounts the following: "The young mother had just entered the eighth month of a tiring pregnancy when her husband dropped a devastating piece of news. He felt a need, he said, to go to a rustic island in Canada for a few weeks to find communion with God. She would be left alone to manage her pregnancy, care for the couple's toddler son and supervise the family's move to a new house."

"Adelia (Dede) Robertson struggled mightily to change her husband's mind. She ridiculed him as a schizoid religious fanatic. She argued. She wept. She begged. But Marion G. (Pat) Robertson, then a budding seminarian, turned aside his wife's pleas with the unbending self-assurance that would later help him achieve remarkable success as a broadcaster and national religious leader. 'This is God who is commanding me,' he said. 'And so Robertson set off for his Canadian retreat, where he soon received an urgent letter from his wife: 'Please come back. I need you desperately.' The confused young husband called on God for advice and received clear guidance. He sat down and wrote his wife that she should have to get by without him.' The Post said Mr. Robertson still likes to tell this story today as an early example of 'his intimate, daily relationship with God.'"

Short Takes

"It goes without saying that America's think tank anything English is classy," writes the syndicated columnist Richard Cohen. "The Washington Post recently devoted an article to the naming of housing developments. The British motif predominates. Names like Kings Valley Manor and the Crest of Wickford have been given to developments. A variation of the British theme is the equestrian one. Thus we get Foxchase, Hunt Country and Derbyshire." Mr.



WHERE THE TIDE WONT REACH — Todd Vander Ploym standing in his 20-foot-high sand castle that he built in Santa Monica, California. The sand castle, which uses 160 tons of sand and which Mr. Vander Ploym claims is the world's tallest, was begun July 18.

Cohen remarks that "probably the prime leisure activity of Hunt Country residents is watching television. But no one would ever call a development 'TV Acres.'"

College football is big business, and not only to the universities and television networks. Take Penn State University at State College, Pennsylvania, whose football team was rated the best in the country in 1986. A study by the university's Center for Regional Business Analysis concluded that last year's seven home games rained more than \$20.4 million on the town and its environs — money spent on hotel rooms, restaurant meals, gasoline, parking fees, souvenirs, chrysanthemums and so forth.

Bork Denies He Would Push Conservative Agenda

Compiled by Our Staff From Dispatches WASHINGTON — Judge Robert H. Bork denied Friday that he would press a conservative political agenda on the Supreme Court. He also came under fresh attack for a ruling he wrote upholding a company's policy forcing women in a lead-filled workplace to be sterilized or lose their jobs.

During the fourth day of confirmation hearings by the Senate Judiciary Committee, which will recommend to the Senate whether to approve the nomination of Judge Bork, Senator Howard M. Metzenbaum told the judge that the 1984 decision by the U.S. Court of Appeals of the District of Columbia was a good example of the judge's insensitivity to women.

He also said Judge Bork would allow "government in the bedroom," oppose consumers and limit free speech. "The women of America have much to be frightened about from your appointment, blacks as well," said Mr. Metzenbaum, an Ohio Democrat. "You are a man with frightening views."

Judge Bork said the 1984 ruling merely upheld a finding by the Occupational Safety and Health Administration that American Cyanamid Co. could not adequately reduce lead levels in one department to ensure the safety of fetuses. Since it was impossible to make the workplace safe, the company said women could remain only if they underwent sterilization. Five out of 30 women chose to do so.

"That is not a pro-sterilization opinion," Judge Bork said. "It is not an anti-women opinion. It is simply upholding a federal agency decision." He said the choice was to "remove all women from the department or offer continuous employment to women who were sterilized."

Judge Bork also said he would be "disgusted in history" if he abandoned the relatively moderate stands he has taken in the hearings and turned radically to the right after confirmation.

Liberal opposition to Judge Bork has coalesced around two arguments: that the views he has expressed in a 25-year career as lawyer, scholar and judge place him outside the mainstream of generally accepted American jurisprudence; and that his moderate stances this week merely reflect his ambition to be on the high court, rather than any true change of opinion. (UPI, AP)

Swing Votes on Panel: An Unlikely Trio

By Dale Russakoff Washington Post Service WASHINGTON — Three more sharply contrasting senators would be difficult to find: a folk, southern Democrat who often votes with Republicans; an urbane, northern Republican who often votes with Democrats; and a cautious, western centrist known for balancing each liberal vote with a conservative one.

Yet Howell Heflin, Democrat of Alabama, Arlen Specter, Republican of Pennsylvania, and Dennis DeConcini, Democrat of Arizona, have become political brethren this week: They are the "swing" votes on the Senate Judiciary Committee, and as they go, so could go the nomination of Judge Robert H. Bork to the Supreme Court.

With the 11 other committee members expected to split 6 to 5 against Judge Bork, the judgments of this unlikely trio will decide whether his name goes to the Senate floor with or without the initial committee's blessing.

Even in appearance, they are an unmatched set. Mr. DeConcini has the gaunt face of the hard-nosed former prosecutor that he is; Mr. Specter, also a former prosecutor, has a studious demeanor, half-glasses poised on his nose; and Mr. Heflin, a huge, rumped figure, resembles a homesown southern politician of yore.

Each has vowed to keep his mind open until the hearings conclude, but Wednesday and Thursday they began to tip their hands as each took a turn at questioning Judge Bork. Two said they came away with serious doubts.

After a contentious exchange on women's rights, civil rights and privacy, in which Judge Bork sought to emphasize moderate features of his philosophy, Mr. DeConcini shook his head and told the nomination that he did not know how "you're going to protect the citizens of this country" against sex discrimination.

"I'm not trying to determine whether or not he's a conservative," Mr. DeConcini said in an interview later. "My tastes actually run in that direction. I'm trying to decide

I think Heflin is looking for a reason to justify voting for, and DeConcini is looking for a reason to justify voting against.

— A Democrat close to both senators

Latin Diplomats Voicing Doubts About Reagan

By John M. Goshko Washington Post Service WASHINGTON — President Ronald Reagan's criticism of the Central American peace process and his emphasis on supporting the Nicaraguan rebels have rekindled suspicion among some Central American officials and members of Congress that he does not want an accommodation with Nicaragua's leaders, according to diplomats from the region.

In recent days, doubts about Mr. Reagan's commitment to achieving a regional peace agreement have been voiced by Central American supporters of the plan put forward by Costa Rica's president, Oscar Arias Sanchez, and agreed to by five Central American presidents at a meeting in Amag, 7 in Guatemala. Criticism has also come from the House speaker, Jim Wright of Texas, who along with President Reagan proposed a peace initiative, something that helped lead to the Guatemala decision.

Mr. Wright made clear this week that his arrangements with Mr. Reagan for a bipartisan approach have been strained close to the breaking point by what he regards as the administration's "active opposition" to the peace talks.

Central American diplomats said they were disappointed by the administration's spurning of their pleas not to raise the issue of continued aid for the Nicaraguan rebels, known as contras, before the Nov. 7 deadline set in Guatemala for working out a cease-fire.

The diplomats were also unhappy about Mr. Reagan's statements last weekend that the Arias plan is insufficient to force the "complete democratization" of Nicaragua.

Mr. Wright said Thursday that recent talks with Central American officials had given him cause for cautious optimism that a cease-fire accord could be reached before Nov. 7.

The White House spokesman, Martin Fitzwater, has denied that the administration is trying to force Nicaragua to reject an agreement by raising the negotiating stakes.

He acknowledged continuing U.S. concern that the Arias plan does not ensure that Nicaragua will permit democratization and cut its military ties to Communist countries. But he insisted that "this kind of criticism in no way is meant to be antagonistic to the plan or to indicate lack of support."

Critics of the administration, however, contend that recent comments by Mr. Reagan, as well as congressional testimony by Secretary of State George F. Shultz last week, strongly suggest that the administration is unwilling to accept,

House Speaker Castigates Reagan



Jim Wright

By Tom Kenworthy Washington Post Service WASHINGTON — Representative Jim Wright, the speaker of the House of Representatives, characterized President Ronald Reagan on Friday as a mediocre chief executive who "willfully" ignores facts that do not conform to his preconceived notions of reality.

Mr. Wright, a Democrat from Texas, described Mr. Reagan at a breakfast with reporters as a "charming person, a well-meaning person, not an evil person," but one who "hasn't the faintest idea of the contents of legislation or the application of real facts to real problems."

Mr. Reagan, added Mr. Wright, "has the ability to psych himself up to reject factual data if they don't conform to his preconceived notions."

Asked if Mr. Reagan is a good president, Mr. Wright said without hesitation, "No."

"He's smart but he's ignorant of the facts a president ought to know, and willfully so," said the speaker.

An example of the president's refusal to confront factual data, Mr. Wright said, is Mr. Reagan's continued belief that his administration's 1981 tax cuts and its military buildup are not the main causes of the soaring budget deficit during his tenure.

"I like him personally, but not as president," said Mr. Wright.

U.S. Minimizes Acid Rain in Study But Ecologists and Canada Object

By Philip Shabecoff New York Times Service WASHINGTON — There is little evidence so far of an immediate broad threat to the environment or public health from acid rain, a Reagan administration study group has concluded in a report that drew sharp criticism from U.S. environmentalists and the Canadian government.

The Intergovernmental National Acid Precipitation Program, which is conducting a long-term assessment of acid rain that was ordered by Congress, said studies so far showed that damage to lakes from acid rain was limited to a few areas, mostly in the U.S. Northeast.

The assessment was contained in an interim report Thursday. The final report is due in 1990.

Environmentalists, a number of members of Congress and some scientists criticized the report, calling it a misleading political document that serves the administration's goal of avoiding mandatory controls that require industry to reduce the pollution that causes acid rain.

The report was assailed by Canada's environment minister, Thomas McMillan, who said that "it was bad science and bad policy" because it "downplays the urgency of the problem."

Canada says acid rain from the United States is damaging its lakes and forests, and wants Washington to reduce the damage.

The report said that, in the affected areas, "a significant increase in the number of acidic lakes is unlikely to occur over the next few decades" at the current level of pollution. The summary of the report also found little damage to forests, no damage to crops and "no demonstrated effects" on human health from acid rain.

Earlier this year, in a concession to Canadian demands, President Ronald Reagan agreed to consider a proposal that the two nations negotiate a bilateral accord on controlling acid rain. But he has run into resistance in Congress over getting money for more research.

Dr. J. Lawrence Kulp, executive director of the assessment program, said the report was a "state-of-the-science document" and "not a policy document at all."

Pope Meets Victims of AIDS

As Homosexuals Protest, He Stresses Forgiveness of 'Sin'

By Joseph Berger New York Times Service SAN FRANCISCO — As hundreds of homosexuals protested Pope John Paul II's outspoken opposition to homosexual activity, he forcefully told San Franciscans that God is always ready to forgive even "when we have sinned."

The theme of forgiveness of sin was not new to this trip, but in San Francisco, with its large homosexual population, it appeared a pointed appeal to homosexuals to change their behavior and renew their faith.

The pope never used the word "homosexual." He said Thursday at the Mission Dolores Basilica: "God loves you all, without distinction, without limit," and "He loves those of you who are sick, those who are suffering from AIDS and from AIDS-related complex."

At one point, he hugged a 4-year-old boy who contracted AIDS through a blood transfusion. Sixty

two persons with acquired immune deficiency syndrome, among them a homosexual priest, were at Mission Dolores for the pope's visit.

"God's love for us as our father is a strong and faithful love, a love which is full of mercy, a love which enables us to hope for the grace of conversion when we have sinned," the pope said.

The Reverend Al McBride, an information officer for the National Conference of Catholic Bishops, said the pope was offering forgiveness, love and the possibility of conversion to all people.

"In the context of the large homosexual population in San Francisco, those words should be comforting and reassuring," he said.

The pope arrived in San Francisco by helicopter from Monterey, California, where he talked about the farm crisis near one of the country's prime agricultural areas.

He spoke to more than 50,000 people clustered over two sandy hillsides in a natural bowl that is used as an automobile racetrack.

Many people had spent the chilly night on the hillsides in sleeping bags to secure a good position to see the pope.

The Mass at the Laguna Seca racetrack was perhaps the most colorful of the pope's trip. Thousands began gathering after midnight on two of the hills. The crowd, including many people in wheelchairs near the front, was divided by 110,000 pots of scarlet pom-poms that stretched up a hill to the foot of a 99-foot (30-meter) cross made of scaffolding.

The pope, speaking with more vigor than on other stops on his North American trip, said the church had no solutions for farmers losing their farms through debt.

He appealed to landowners and growers to respect the rights of farm workers to unionize and share in decisions about their jobs. He also praised legislation giving amnesty to many once-illegal aliens.



The pope embracing Brendan O'Rourke, 4, who has AIDS.

Advertisement for Mac Baren tobacco. It features a large image of a Mac Baren cigarette pack and the text: "Tobacco of international distinction".

Advertisement for Saab cars. It features the text: "YOU CAN BUY A SAAB AT AN INTERNATIONAL PRICE." and includes a coupon form for requesting more information about Saab International and Diplomat Sales programs.



Saving the Ozone Layer

The Reagan administration deserves enormous credit for the part it played in achieving the world ozone treaty signed this week.

Other plants, and serious climatic changes. The treaty would freeze CFC production in 1990 at 1986 levels, then cut it in half by 1999.

No End to the Scandal

The bill to reform congressional campaign finance — to moderate the begging for funds and buying of access around which the U.S. legislative process now revolves — is dead for this year.

Bentsen hastily disbanded the club, even as it turned out that other pillars of rectitude on the Finance Committee had had similar arrangements, as did Majority Leader Byrd.

A Fund for Safe Air Travel

Two facts finally emerge from the oratorical fog enveloping the troubles of civil aviation in the United States. First, despite improvements, there is an enormous need for basic facilities — runways, terminals and even whole new airports.

It is clear that civil aviation is getting back more than it puts in. Mrs. Dole and Mr. Miller blame Congress and a perverse penalty in the trust fund law for the buildup of the surplus.

Other Comment

Toward a New Summit

The talks in Washington between U.S. Secretary of State George Shultz and the Soviet foreign minister, Eduard Shevardnadze, have brought an agreement in principle — on signing intermediate-range nuclear weapons.

On each other's territory appears to point to a severe reduction — a final ban is still some time off — in nuclear testing.

The two camps have also shown the desire to move toward another objective agreement on at Reykjavik: a 50 percent reduction in strategic arms.

Why Begin's Shadow Still Hangs Over Israel

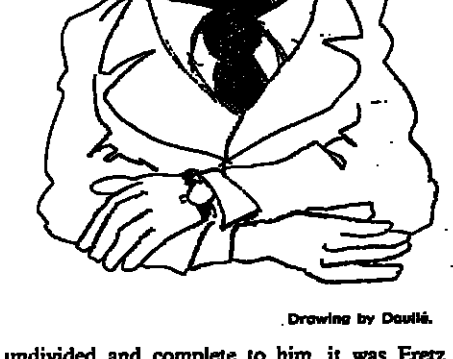
By Amos Perlmutter

WASHINGTON — It would be a day like any other, with a singular difference about which he had told no one, not even his closest advisers.

lacking vision and direction, have lost control. Mr. Begin's rise to power was not just another change of government, it was a revolutionary event.

The next day he was gone from office. He had served 2,251 days as prime minister, the longest tenure of any Israeli leader other than his old rival, David Ben Gurion.

His Palestinian policy was not a surprise, given that he was a disciple of Zeev Jabotinsky. For that, Mr. Begin, there was no legitimate Palestinian Arab nationalist movement.



Drawing by Doull.

How does one assess him? He is a man curiously out of step with his time, a visionary who tended to look backward, over his shoulder.

Mr. Begin, though he played the role of peacemaker during the Camp David talks, may have destroyed some of Israel's options for peace.

He democratized Israel. He turned its political system from an elitist labor-dominated socialist democracy into a genuinely populist democracy.

Mr. Begin assigned the aggressive, talented and ruthless General Ariel Sharon the task of actually settling the West Bank. Within five years, General Sharon tripled the number of settlements; by the end of 1982, their Jewish population had risen from 5,023 to 30,000.

Mr. Begin left behind a bitterly divided Israel that has lost some of its political dynamism and decisiveness.

Mr. Begin then aimed to end the military and political power of the PLO in the occupied territories and to move militarily against the PLO in Lebanon.

Bork's Law: Scary to Some, but Hardly Beyond the Pale

By Charles Krauthammer

WASHINGTON — Ah, Griswold. By Day 2 of the Great Bork Hearings, the reason he should be confirmed was already obvious:

rights — abortion rights, minorities' right to preferential treatment, the right to contraception — to accommodate a changing culture.

When was the last time the ghosts of Griswold vs. Connecticut and Shelley vs. Kraemer, of Justices Holmes and Frankfurter, were allowed such play in the national consciousness?

There is no doubt that Judge Bork's narrow, original-intent approach to the Constitution is a minority view. But can one really argue that it is beyond the pale?

Judge Bork brought out the best in his opponents. Senators Joseph Biden and Edward Kennedy have rarely been sharper. The same cannot be said of the swing senators.

Both are legitimate positions. I tend toward Senator Biden's, but to call Judge Bork's beyond the bounds of permissible discourse is sheer prejudice.

The Stunning Turnabout on Verification

By Enrico Jacchia

ROME — Verification. Foolproof, indisputable, reliable verification: This is what is needed in all arms reduction treaties.

The Soviets want to allow inspections by one country of any facility at any site in the other country. To make cover-ups more difficult, they propose that "the period between the line of the request and the arriving of the inspectors at the inspection site should not exceed 48 hours."

Now the Soviets want both verification and on-site inspection. They go far beyond any previous American request in this field.

The chief Soviet delegate to the Geneva conference, Yuri Nazzariin, has requested an extraordinary session of the conference to be held beginning mid-November to complete most of the drafting of the convention.

OPINION

political power of the PLO in the occupied territories and to move militarily against the PLO in Lebanon. He and General Sharon managed to destroy the PLO's power in Lebanon, but at a high cost in Israel in terms of casualties, political unity at home and its image abroad.

Thus, Mr. Begin left office politically and psychologically unfulfilled, his dream of settling the West Bank and Gaza only partially met and his goal of annihilating the PLO as distant as ever.

Mr. Begin's tenure raised the specter of radical nationalism within Israel. It unleashed religious, messianic and political forces that had never been present in Israel's political history.

Mr. Begin left behind a bitterly divided Israel that has lost some of its political dynamism and decisiveness. Today's government of national unity is paralyzed on some major issues, hostage to the small religious parties that hold the balance of power.

When Richard Nixon nominated G. Harold Carswell to the Supreme Court in 1970, Senator Roman Hruska of Nebraska, responding to the charge that Judge Carswell was mediocre, opined that, "Even if he were mediocre, there are a lot of mediocre judges and people and lawyers, and they are entitled to a little representation, aren't they?"

Senator Biden and company are worried about the results that Justice Bork's decisions would yield. But dozens of conservatives, from Senator Orrin Hatch down to the lowest young conservative with not a thought, and not a blot, on his record, could be guaranteed to produce results identical to Judge Bork's and could not be denied confirmation.

Washington Post Writers Group. The New York Times.

Make No Trade-Offs On Rights

By Flora Lewis

PARIS — Secretary of State George Shultz made a point of taking up human rights in his talks this week with the Soviet foreign minister, Eduard Shevardnadze, although the key issue now is arms control.

Worried that the West is succumbing to Mikhail Gorbachev's smiles or falling for the line that he must be protected from domestic opposition, Natan Sharansky recently called on the Western media to keep asking him "hard questions" on "human rights, violations of the Helsinki accord, Jewish emigration" (JHT, Sept. 13).

Mr. Sharansky was finally allowed to join his wife in Israel last year after nine years in the gulag as a dissident and after a persistent money Western campaign on his behalf. He knows he is a prize example of the effectiveness of Western public attention, and he begs those who helped him to keep on helping others. There are many more whose names are scarcely known.

This ought to be a clear-cut case of family reunion. But the security risk clause has been used, once again, to keep the man in the gulag. He is a man who has not worked for 15 years. His job for the last six years before retirement was to hand out overalls to other workers; he never had a position of importance. His wife, Etya, had been a bookkeeper.

It is all the more an anomaly then that these modest people's chances have to depend on Western pressure. As long as that is so, the pressure will continue, no matter what treaties are signed.

But if General Secretary Gorbachev finds it distasteful to be addressed with list after list of violations, to find the Western press enlisted as loudspeaker for cases demanding simple decency, he has another way of dealing with the problem. He could set up a system of honest domestic appeal. He could make it possible without a publicity campaign for Mr. and Mrs. Tkach and others like them to obtain the rights that Moscow promised in signing the accords at Helsinki.

It is all the more an anomaly then that these modest people's chances have to depend on Western pressure. As long as that is so, the pressure will continue, no matter what treaties are signed.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: A U.S. Warning

WASHINGTON — The policy of the United States toward the Central American and Caribbean Republics is clearly defined in an instruction sent by the State Department to the U.S. Minister in Nicaragua, for delivery to the Nicaraguan Government and revolutionists.

1937: FDR and the Court

WASHINGTON — Speaking on the 150th anniversary of the signing of the Constitution, President Franklin D. Roosevelt last night (Sept. 17) coupled a defense of his plan to reform the Supreme Court with an attack on dictatorship. The President made it clear that, despite the Senate's defeat of the court plan, he still intends to fight for changes. He said that for 150 years there had been a struggle between proponents of "the original broad concept of the Constitution" and those who would shrivel the Constitution into a lawyer's contract.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1958-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen LEE W. HUBNER, Publisher JOHN VINCOUR, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELLMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages RENÉ BONDY, Deputy Publisher • ALAIN LECOUR and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISONS, Circulation Director • ROLF D. KRANEPUHL, Advertising Sales Director International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Tel. (1) 46.37.93.00. Telex: Advertising, 61395; Circulation, 61283; Editorial, 61271; Production, 63098.

Used Lure to Suspect Blacking... Make No Trade-Offs On Rights... The U.S. Jack F. M... U.S. B-52... Bork's Law: Scary to Some, but Hardly Beyond the Pale... DEN: His Campaign... Can Minimize the...



# FBI Used Drug Lure to Trap Suspect in Hijacking

WASHINGTON — FBI agents used the promise of an illegal drug deal to lure an accused Shiite terrorist aboard a ship in the Mediterranean before his arrest and removal to the United States to stand trial for taking hostages, the Justice Department said Friday.

A Justice Department official, commenting further on the unusual U.S. action, announced Thursday that the FBI agents who made the arrest had tricked the suspect, Fawaz Younis, on to a ship they had rented and were manning by promising a drug deal would ensue.

Mr. Younis, a fervent Moslem and alleged mastermind of a 30-hour airplane hijacking two years ago, was interested in buying a large quantity of drugs for his further sale, the officials said. No drugs were actually on board the vessel.

Attorney General Edwin Meese 36, announcing the arrest Thursday, called it "the first overseas arrest by U.S. law enforcement officials of a suspected terrorist being sought under U.S. laws. This unilateral action by the United States is an important step in our policy of bringing terrorists to justice."

In Beirut, Nabih Bezi, chief of the Shiite Amal militia, accused the United States of "piracy against international law" and "aggression on Lebanon's dignity."

Mr. Bezi said, "There is no doubt that the American administration is attempting to create something out of nothing, as if it were a message directed to the American people to regain lost prestige even by an action smacking of piracy against international law and against every right."

Unaided by any other government, officials said Mr. Younis was arrested Sunday and held aboard the aircraft carrier Saratoga before being flown to Washington for a brief court appearance.

Charged in a five-count indictment under the 1984 Crime Control Act, Mr. Younis, 28, faces life in prison on charges of hostage-taking, conspiracy and destruction of an aircraft.

U.S. Magistrate Jean Dwyer first had asked Mr. Younis if he could afford an attorney, and he responded in Arabic through a State Department interpreter, "No, I cannot." Those were the only words he spoke before Judge Dwyer ordered him held without bond. Another hearing was scheduled for Tuesday.

The hijacking for which he has been charged occurred June 11, 1985. Five Shiite Moslems armed with hand grenades, dynamite and other explosives strapped around their waists demanded all Palestinian guerrillas be ousted from Beirut as they hijacked a Boeing 727 of the Jordanian airline, Alia, in Beirut with 67 people aboard, including two American citizens and two American nationals.

After a 3,000-mile (4,800-kilometer) flight around the Mediterranean with stops in Cyprus and Sicily, the airplane returned to Beirut, where the hijackers released the passengers and crew unharmed, blew up the plane and escaped.

Mr. Younis was described by U.S. officials as a "full-time employee of the Amal militia," the Lebanese Shiite group headed by Mr. Bezi, the Lebanese justice minister instrumental in obtaining release of Americans in a TWA hijacking three days after the Alia case.

# BIDEN: His Campaign Is Set Back

(Continued from Page 1) a monologue Wednesday night on his television talk show joked that Mr. Biden had called his staff together after all the plagiarism stories and reassured them, "You have nothing to fear but fear itself."

Said one Democratic consultant, "It's the ridicule that can kill you." For now, however, "I can't see it's much of a deal," said John Henry Anderson, the Georgia Democratic chairman and a county commissioner in Hawkinsville, Georgia. "The only comment I've heard is the fellow probably ought to change sycophants."

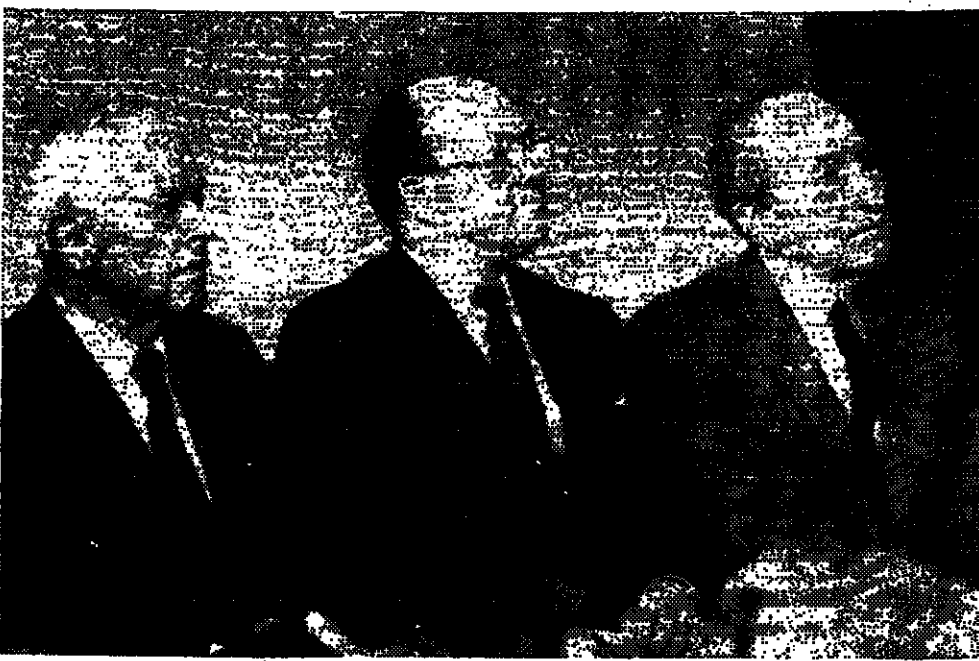
Bonnie Campbell, the Iowa Democratic chairman, and Larry Vatch, her counterpart in Pennsylvania, both said Democrats were asking whether Mr. Biden might be the victim of "dirty tricks," engineered by a rival Democratic campaign or by Republicans.

The Indiana Democratic chairman, John B. Livengood, said the Indianapolis News Thursday afternoon had a front-page headline,

# Dean Minimizes the Offense

SYRACUSE, New York — The interim dean of the Syracuse University College of Law has minimized the plagiarism offense involving Senator Joseph R. Biden Jr. and several professors who taught Mr. Biden as they said they were unaware of the plagiarism at the time.

Travis H.D. Lewin, the interim dean, said Thursday that since he arrived at the law school in 1987 there have been only two grave incidents requiring disciplinary action, and he added that he would not classify Mr. Biden's offense as "very serious" in comparison. One of the two incidents involved plagiarism, he said.



The U.S. arms negotiators, Paul H. Nitze, left, and Max M. Kampelman, right, flanked Jack F. Matlock, the ambassador to Moscow, as President Ronald Reagan announced "agreement in principle" with the Kremlin on banning medium and shorter-range missiles.

# U.S. General Proposes Modifying B-52s to Take Conventional Arms

By Richard Halloran  
New York Times Service

WASHINGTON — The commander of the United States' long-range bombers has said that he has proposed a \$3-billion plan to modify 150 B-52 bombers to carry conventional weapons to help defend Western Europe in the event nuclear missiles are banned.

The commander, General John T. Chain, said Thursday that the withdrawal of medium-range nuclear missiles from Europe would leave the conventional forces of the North Atlantic Treaty Organization inferior to those of the Warsaw Pact.

General Chain, who heads the Strategic Air Command, said his seven-year plan had the support of military commanders in the field but needed the approval of Secretary of Defense Caspar W. Weinberger. Congressional approval is also necessary.

Under General Chain's plan, all the remaining model G B-52s, which are destined to be scrapped in the 1990s, would be kept in service. The planes, which were designed more than 25 years ago, would be refurbished and a new stockpile of spare parts would be assembled.

All 90 model H B-52s would continue to carry nuclear weapons, along with the 100 B-1s that are just becoming operational and the 132 advanced "Stealth" bombers designed to evade radar. These are scheduled to become operational in the early 1990s.

If the nuclear missiles are withdrawn from Europe, General Chain said, the conventional forces of U.S. and Western European nations would survive in combat for only seven to 10 days before they would start to be overrun.

That would confront Western leaders with the choice of surrendering or escalating the conflict with long-range nuclear missiles and bombers, he said.

He suggested that converting the B-52Gs would allow the Western forces to hold out longer.

If General Chain's plan is approved, the B-52Gs would not carry bombs as they did in the war in Vietnam.

Instead, they would be armed with weapons that could be fired at targets from a distance of 25 to 200 miles (40 to 320 kilometers), thus reducing the risk to planes and pilots.

The U.S. Air Force has been developing a guidance system for such missiles to make them able to hit targets with pinpoint accuracy.

General Chain said the bombers would be able to penetrate moderately defended areas by flying 200 feet (60 meters) above the ground. They would seek to avoid detection by radar, which sends beams up and out in a straight line, by hiding behind hills and following valleys.

He said that training for such missions had already begun.

"I've got guys out there flying at 200 feet — at night," he said. In combat, the pilots would look for targets well behind enemy lines, like railroads, supply depots and airfields.

The B-52G, which can fly 7,300 miles without refueling at high altitudes, could fly 1,000 miles to a target and back again at low level, General Chain said.

Low-altitude bombing missions over Europe could thus be flown from bases in Britain or elsewhere in Europe or, with the help of aerial tankers, from the United States itself.

Part of the \$3 billion required would be used to recruit, train and sustain additional people to maintain and fly the planes, the general said. Some of those to be assigned to a conventional bomber force would come from present ranks but the air force would need to add about 2,000 to its current strength of 606,800 men and women.

# Iraq Rejects Iran's Terms For Truce, UN Reports

UNITED NATIONS, New York — Iran has declared its willingness to accept a conditional, undeclared cease-fire in its war with Iraq but those terms are unacceptable to Baghdad under any circumstances, according to a United Nations report.

The nine-page document, unofficially made available on Friday, was prepared for the Security Council by Secretary-General Javier Pérez de Cuéllar after his talks in Tehran and Baghdad. He returned Wednesday.

The report has not yet been released as a UN public document because the council told Mr. Pérez de Cuéllar that it must remain confidential.

In Washington on Friday, the State Department said Mr. Pérez de Cuéllar's attempt to persuade Iraq to accept a cease-fire had failed.

In his report, the secretary-general said Iraq had insisted that a link be established between a cease-fire and "the identification of responsibility for the conflict."

The Iraqis allege that it was Iraq that started the war on Sept. 22, 1980, but Iraq charges that the Iraqis fired the first shot 18 days earlier.

Reporting the Iranian position during what he said were "long hours of discussion," Mr. Pérez de Cuéllar said Iran had stated that a "normal cease-fire must be preceded by the process of the identification of the party responsible for the initiation of the conflict."

In Baghdad, he said, the Iraqi authorities reiterated that they were ready to implement the Security Council's July 20 resolution that demanded an immediate cease-fire "as an integrated whole."

The Iraqis also said, he reported, that the Iranian insistence on a paragraph providing for an impartial inquiry into responsibility for the war preceding any cease-fire declaration "represented a clear rejection of the resolution."

"One important point that Iraq particularly stressed was that under no circumstances would Iraq accept an undeclared cease-fire," Mr. Pérez de Cuéllar said. "They also underscored that the cease-fire should be followed without delay by the withdrawal of all forces."

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# ACCORD: U.S., Soviet Agree on Medium-Range Arms

(Continued from Page 1) would say to conservatives who complained he was in too much of a hurry, replied: "I don't know of anything in my life I waited over six years for. I spoke about this INF treaty in pretty much the same way as that it's finally been agreed four or five years ago."

On Capitol Hill, the Senate majority leader, Robert C. Byrd, welcomed "the apparent progress that has been made" but cautioned that "the Senate will carefully scrutinize details of any treaty."

"Keep in mind that it requires a two-thirds vote" to ratify any treaty, Mr. Byrd, a West Virginia Democrat, said. "Keep in mind that the Senate may want to add some reservations and understandings."

Representative Les Aspin, Democrat of Wisconsin, the chairman of the House Armed Services Committee, said: "I think that it's essentially a political agreement; its political implications are more important than the military agreement."

Intimates of Mr. Reagan said he had complained privately that he had not received enough credit for the treaty, based largely on the "zero-zero" proposal for eliminating all medium-range missiles in Europe that the president submitted in 1982. It is now usually referred to as "double zero."

In addition to eliminating 171 SS-20s aimed at Asia, Moscow would scrap 270 SS-20s aimed at European targets. The missiles have a range of 3,000 miles.

The United States has 108 Pershing-2 missiles, with a range of 1,125 miles, based in West Germany and 224 ground-launched cruise missiles, with 1,500-mile range, deployed in Britain, Italy, West Germany and Belgium.

The U.S. Defense Department said Friday that it would speed up research in key areas of the Strategic Defense Initiative anti-missile program while adhering to the 1972 Anti-Ballistic Missile Treaty. Reuters reported from Washington.

Areas where SDI research would be accelerated include exploring the feasibility of space platforms from which small rockets might be fired at attacking missiles, satellites to watch for such missiles, and a complicated computer battle management system.

Moscow is strongly opposed to SDI, broadly a plan to develop lasers and other weapons that could shoot down attacking nuclear missiles in flight.

The Senate on Thursday approved a proposal that would keep the Reagan administration from breaking the ABM treaty.

# Paint Town Red, Moscow Rules

MOSCOW — Moscow celebrates its 840th birthday Saturday with plans for a massive, city-wide party, departing boldly from stiff Soviet celebrations of the past.

"We have tried to make the festival as democratic and easy-going as possible," a Moscow city official, Yuri Prokofiev, said of the first planned "Moscow Day" festivities.

"It will have no focal point as it is impossible to gather nine million people in one place and we hope everybody, adults and children alike, will take part."

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# Iraq Rejects Iran's Terms For Truce, UN Reports

UNITED NATIONS, New York — Iran has declared its willingness to accept a conditional, undeclared cease-fire in its war with Iraq but those terms are unacceptable to Baghdad under any circumstances, according to a United Nations report.

The nine-page document, unofficially made available on Friday, was prepared for the Security Council by Secretary-General Javier Pérez de Cuéllar after his talks in Tehran and Baghdad. He returned Wednesday.

The report has not yet been released as a UN public document because the council told Mr. Pérez de Cuéllar that it must remain confidential.

In Washington on Friday, the State Department said Mr. Pérez de Cuéllar's attempt to persuade Iraq to accept a cease-fire had failed.

In his report, the secretary-general said Iraq had insisted that a link be established between a cease-fire and "the identification of responsibility for the conflict."

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# BASRA: Making Do on Iraqi Front INQUIRY: Focus on Contras

(Continued from Page 1)

shades of sand and burned ocher, splashed, sometimes with bougainvillea and stippled with tired palms.

When the latest major bout of shelling started in early September, said Nahla Halooq Naamah, she and the others just sat and listened, trying to work out where the shells were landing.

"We were talking about it," the 14-year-old said from a hospital bed, "when there was this huge explosion." Of the seven members of her family, she said, one was killed and all the others were wounded.

Leila Abed Ali, in an adjacent bed, had a story, too. In the same attack, she said, she took her four children to safety and then came home to lock up the house. In that moment, shrapnel hit her in the lower abdomen.

The stories were told during an officially arranged visit to Basra by reporters accompanied by guides from the Iraqi Ministry of Information and Culture. The journey seemed designed to display some kind of normalcy in Basra and to substantiate assertions of Iranian shelling, which Tehran has denied.

The impressions, however, suggested more a place so used to abnormal conditions that it has defined its own customs accordingly.

"Every time we attack the Iraqis, we expect them to attack us," said Samir Hamad, an agricultural expert who lectures at Basra University. "We adapt to these things."

Thus, he said, he and his wife and two children usually live in a modest villa in the district of El Towaisa, one that has borne the brunt of shelling. But when the shelling starts, they choose their moment and move to a relative's home across town. When it is quiet, he said, they move back.

The children, he said, have nightmares about it, even when there is no shelling.

"Many people have gone," he said, gesturing to streets that the municipality is busily resurfacing, albeit around the hulks of broken cars. "They started to come back before the last shelling, but when the shelling started, they went away again."

The newest home in his garden wall, about the size of a football, was two days old, he said.

"About half the population of Basra has left," said Dr. Adel el-Mansouri, the director of the city's main hospital.

"This year, there have been about 1,000 civilian dead, far less than the military casualties," he said, alluding to the nearby, unseen front. "Twenty to 30 shells in a day



is light. Hundreds we count as heavy."

In the parts of town that bustle a little, away from El Towaisa, there is a modest trade in small things that seem to reflect an effort to survive. Near the Sindbad nightclub, in an area like others draped with sandbags around buildings, small trawls went on in things like pomegranates sold from fly-blown stalls, and fruit juice and tea from stores, and cigarettes, pocket knives and gum sold by old men squatting on an unpaved sidewalk.

"Most of the casualties," he said, "are women and children, because the men are either working or fighting at the front."

Rashid al-Derzi, a retired electrical engineer, said he was too old for either and wanted only to tend his garden. He had a story about his pet, a black and porly poodle called Lassie, whom he said with pride, he had trained to hide in the bathtub during shelling.

He had just returned to his home in a shelled area, near the Shatt al-Arab, where only a handful of families are now. What he found depressing, he said, was that a lump of shrapnel had lodged in one of his palm trees, so there would probably be no dates from it this year.

Mr. Derzi gestured to his house to indicate there was no glass in any of the windows.

"Three times we have put new glass in, and three times it's been broken by the shelling," he said. "When the war ends, we will put the glass in again."

Shuttle Test Called Successful  
HUNTSVILLE, Alabama — The first full-scale test-firing on Aug. 30 of the space shuttle's redesigned booster rocket was a success and the U.S. space agency is on schedule to resume flights in June, John Thomas, a top shuttle official said here Friday at the Marshall Space Flight Center.

Soviet Conducts Nuclear Test  
MOSCOW — The Soviet Union conducted an underground nuclear test Friday at the Semipalatinsk test site in Soviet central Asia, Tass said.

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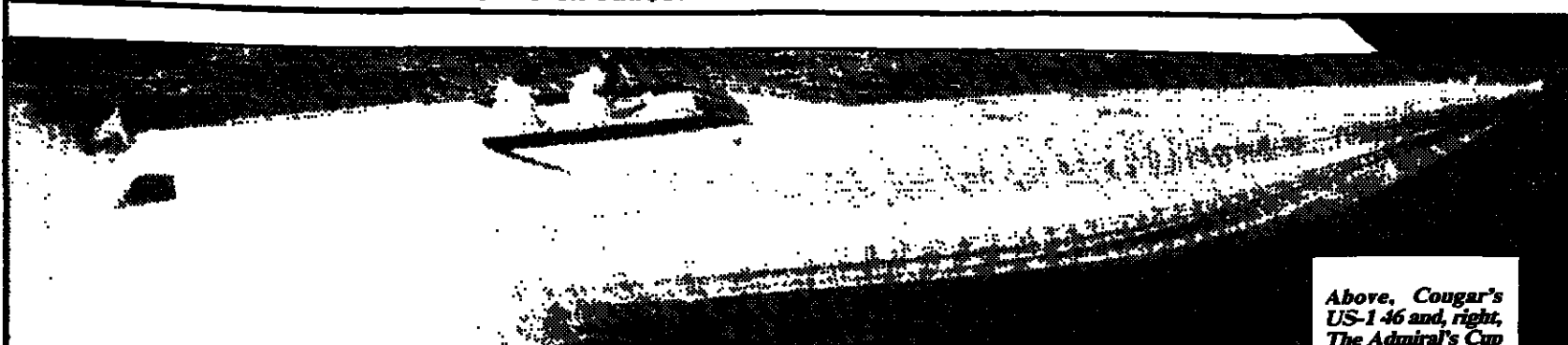




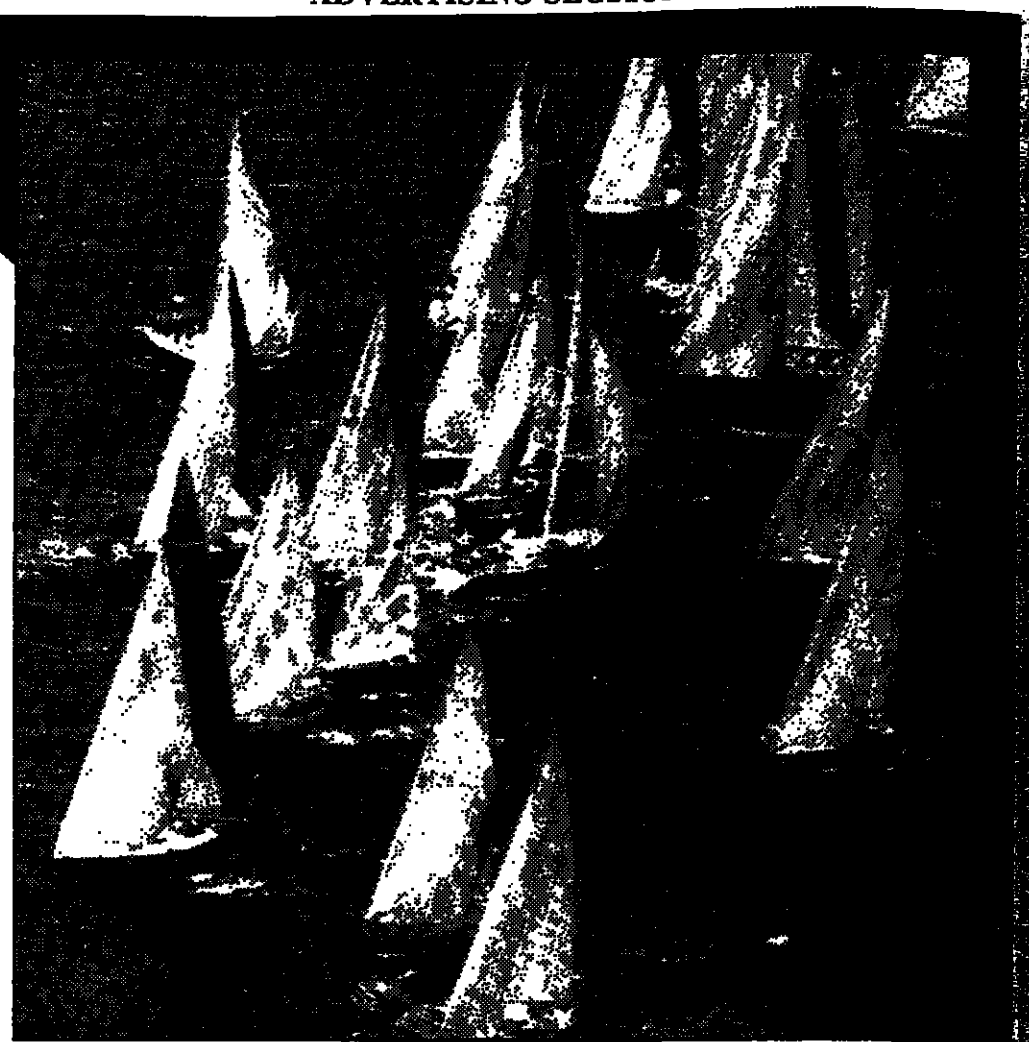








Above, Cougar's US-146 and, right, The Admiral's Cup fleet racing for the Corum trophy.



### Muscle Boats: When You Got It, Flex It

As long as men have been going down to the sea, those same men have wanted to go fast in boats. Remember those beautiful, classic "speedboats" — the polished wood Rivas and Chris Craft. In the last decade, sport boats have become bigger and faster, the very basis of their design has changed. Where once classic speedboats were adapted for racing, stripped down and tuned up, now purebred racing boats are being adapted and developed into recreational boats.

In the early 1970s these so-called "muscle boats" were still fairly rudimentary in terms of comfort, but in the last five years they have come into their own. More than just turned-up racing boats, they have all the comforts and amenities of a cruising boat.

The impetus for muscle boats' development has come from a general improvement in boat speed. Just as a 1987 Ford will go as fast as a 1967

Jaguar, speeds at the bottom end of the boat market have increased. Just a few years ago 25 knots was considered very fast; today 40 knots is normal for an off-the-shelf sport boat. But muscle boats are on a whole new level, one in which speed is no longer measured in knots, but in miles per hour — and then it's 90 plus.

The general popularity of fast boating and the booming sport of offshore racing has prompted a host of builders to produce boats "in the style," but a true muscle boat is a thoroughbred, born in the racing stables of champions like Don Aronow, James Beard, Ben Kramer and Fabio Buzzi. Success on the racing circuit does sell boats. Bruno Abbate is something of a hero in Italy, a country that loves heroes; he has translated a highly successful racing career into a 15 million lire per year business making production boats under the name Primatist. It was Don Aronow, however, who

pioneered the genre; Formula, Donzi, Magnum — they were all his. In 1969 he built his first breakthrough Cigarette; the name became the generic term for a go-fast boat.

All of these muscle boats are much closer to their raceboat origins than production sports cars are to Formula One, but few are as purebred as Cougar Marine's US-146. This is the same boat as *Maggie's Mercruiser Special*, in which George Morales won the Superboat World Championship. The only differences are that the production hull is GRP while the original was aluminum and that the production model is crammed with comforts. The "muscles" are exactly the same — three 575-horsepower Mercruisers — and so are the speeds: over 90 miles per hour.

Last year one Dr. Stros, an Austrian, decided that he wanted "a boat like no other" and married the talents of Fabio Buzzi with those of Ferdi-

nand Porsche. The result shown in prototype at the Genoa Boat Show last October is a vision in high-gloss gunmetal gray Kevlar, its lines clearly showing its 911 pedigree. The first 12 models of a very limited production will be offered to a handpicked group of buyers.

Without a doubt, owning a muscle boat is a status symbol, and the people who do so are usually not of the traditional yachting crowd. Walker describes them as "not at all afraid of being seen. In fact, they want a boat like this in order to make a strong statement about themselves." He finds that Cougar buyers are very technology-conscious. "Our boats are high-priced, high-speed toys, but they sell on technology," he says. "For the owner, this implies something else very positive about himself; he doesn't just want to go fast, he knows something special."

Mere display is not the only appeal of muscle boats; they have an aesthetic all their own. Certainly the most compelling reason of all to have such a boat is the pure adrenaline-pumping thrill of screaming across the water at 90 miles an hour.

One anomaly in the quest for speed is that although catamarans are faster than mono-

hulls, they do not seem to have as much appeal as pleasure boats.

South Florida and St. Tropez have always been the muscle boat meccas, and they are the areas of the most spectacular growth in the market. But demand is up all over the United States as well as in the Middle East and, increasingly, the Far East.

As boat speeds accelerate and the number of owners grows, the question of safety must be raised. Gowens strongly believes that "the manufacturers must be seen to be leading the way in the promotion of safety. If we don't police ourselves, we will find that laws are imposed upon us from the outside which may damage all that fast boating stands for." The only thing impossible to control is the behavior of the people who drive the boats. Safety is built in; these boats are properly designed for going fast.

It is only recently that proper muscle boats could enter the market as a commercial entity. "The muscle boat market is the single most exciting facet of the marine industry because of the technological advances," asserts John Walker. "People now have access to production boats that they could only have dreamed of five years ago."

### Sponsorship Comes of Age

ALTHOUGH sports sponsorship has long been established as a marketing tool, yachting has been slow to attract the big-budget support enjoyed by such sports as tennis, golf and Formula One racing.

But when the New York Yacht Club lost the America's Cup to Alan Bond in 1983, yacht racing was catapulted into the media age. By the time the defense began in Perth the sport had attained a level of visibility that would have been inconceivable three years earlier. The development of the on-board yacht-cam helped turn sailing into a riveting spectator sport. And in 1985, the International Yacht Racing Union decided to relax its famous Rule 26, which had prohibited advertising or the use of sponsors' names on the boats.

Dutch electronics giant Philips sponsors various sports, including World Cup Soccer. In 1985 it staked its own entry in the Whitbread Round The World Race: *Philips Innovator*, a state-of-the-art racing yacht. Crammed with electronics, it not only gave the company a world-traveling billboard but provided a tough testing ground for their products.

Yachting's image makes it a natural for association with upscale products and services. Still, according to Jean-René Bannwart, president of Swiss watchmakers Corum, it makes no sense — regardless of the suitability of its image — to sponsor something you don't enjoy. Although Bannwart has a strong personal interest in sailing, Corum's involvement in the sport came about indirectly when the company

designed a new watch and, seeking a suitable name for it, approached the Royal Ocean Racing Club for the rights to use "Admiral's Cup." Sponsorship of the event was a logical corollary.

Bannwart says it is impossible to quantify the return, and especially to measure the return from sponsorship as distinct from advertising and other forms of promotion.

Louis Vuitton, whose support of the America's Cup Challenger Series set the benchmark for sailing sponsorship, did monitor the results of their \$3 million investment in terms of press coverage. They counted 15,000 mentions in all media. The crucial thing, says Bruno Troublé, who organized the Vuitton campaign, is to increase public awareness of the name and to associate the product's image with an appropriately prestigious event.

The days when a sponsor simply signed a check are over. Bannwart states that "without doing supplementary promotion and having a strong presence at the event itself, we would have a real problem getting a return from the organizing club or the press."

Troublé agrees. Perth was a huge success for Vuitton, he adds, "but it took three years of using every tool at our disposal — advertising and PR, back-up, organizing a results service, the media center, press trips, helping the organizing club. Only one-third of our total spent went towards running the races; the rest was used to promote the fact of our sponsorship." Vuitton will be repeating the exercise for the next America's Cup, preparing to double the bud-

get. Meanwhile, Troublé is guiding other companies of the recently merged L.V.M.H. Group in the same direction; Moët et Chandon are sponsoring La Nioulargue while Parfums Givenchy began funding Troublé's racing yacht *Xerxus* in the Admiral's Cup.

Corum is committed to the Admiral's Cup until 1993. Even though Bannwart admits that at present he questions whether the return justifies the cost, he accepts that it is too soon to pass judgment.

Philips, on the other hand, claims to be satisfied with the results of the Whitbread campaign. "By sponsoring a race which represents one of the world's last great adventures, we attracted the attention of the world's non-nautical media," says a spokesman. *Philips Innovator*, placed second overall in the race, is now for sale.

Media coverage, and above all television, is what brings the money in. Boat-crazy New Zealand is an exceptional case but it does show what can happen. Two years ago a combination of commercial sponsorship and public appeal raised NZ\$2.2 million to send Peter Blake around the world in the Whitbread Race. Within a year, this country of just 3 million people had not only sent a team to the Admiral's Cup, it had put NZ\$9 million into a campaign orchestrated by merchant bankers Fay, Richwhite to challenge for the America's Cup in Perth.

Yacht racing is at a turning point right now. Large amounts are already involved, but the media response is lagging. If this changes, the commercialization of the sport will speed ahead. But, everyone agrees, sailing should never be smothered in logos.

### Maxi-Race

WAR and the racing of maxi-racer yachts have a great deal in common, except the fatalities are fewer in racing. The intensity of the operations, the strategic capabilities and the financial strains are all the same.

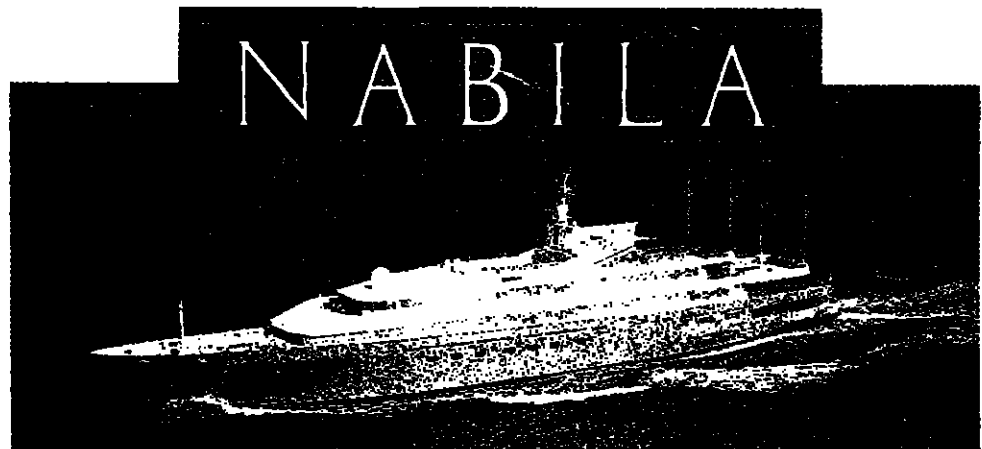
This is serious sport. The racers themselves may give the impression of exotic but-terflies, but they are the ultimate in yacht racing, demanding to a degree that only the addicted would readily tolerate.

Yet the number of owners willing to undertake this masochistic pursuit with a standard of excellence second to none is increasing. Naval architect German Frers, top maxi designer, currently has six boats in the works, including the first ever for a Japanese owner.

For these boats everything has to be created individually; nothing comes off the shelf. They are 25 percent bigger in overall length than the 12-meter class used in the America's Cup race, and the latest masts tower 132 feet above the sea, 40 feet higher than that of Dennis Conner's *Stars & Stripes*. Maxi-racers, twice the length of Admiral's Cup yachts, develop hull and rig loadings with which the hardware manufacturers can barely keep pace. Constant change and improvement characterize the quest for winners in one of the most competitive forms of racing in the world.

Where else would people build four half-scale boats, 40 feet long, and race them to find the fastest before building it to full scale? Maxi owner Bill Koch was prepared to go to those lengths before committing upwards of \$25 million to the final product.

The current crop are very special yachts, leveled by an enormously complex racing rule. The aim here is to achieve an ideal "0-foot racing" as defined by the International Offshore Rule. The maxi sailor's sole ambition is to be the first home. These owners are all men who have been successful in business and who are enjoying the fruits of their



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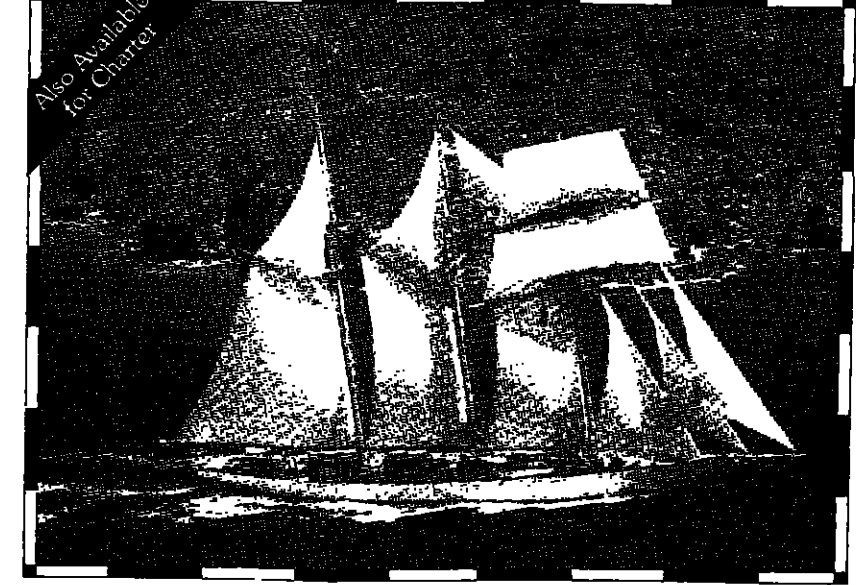
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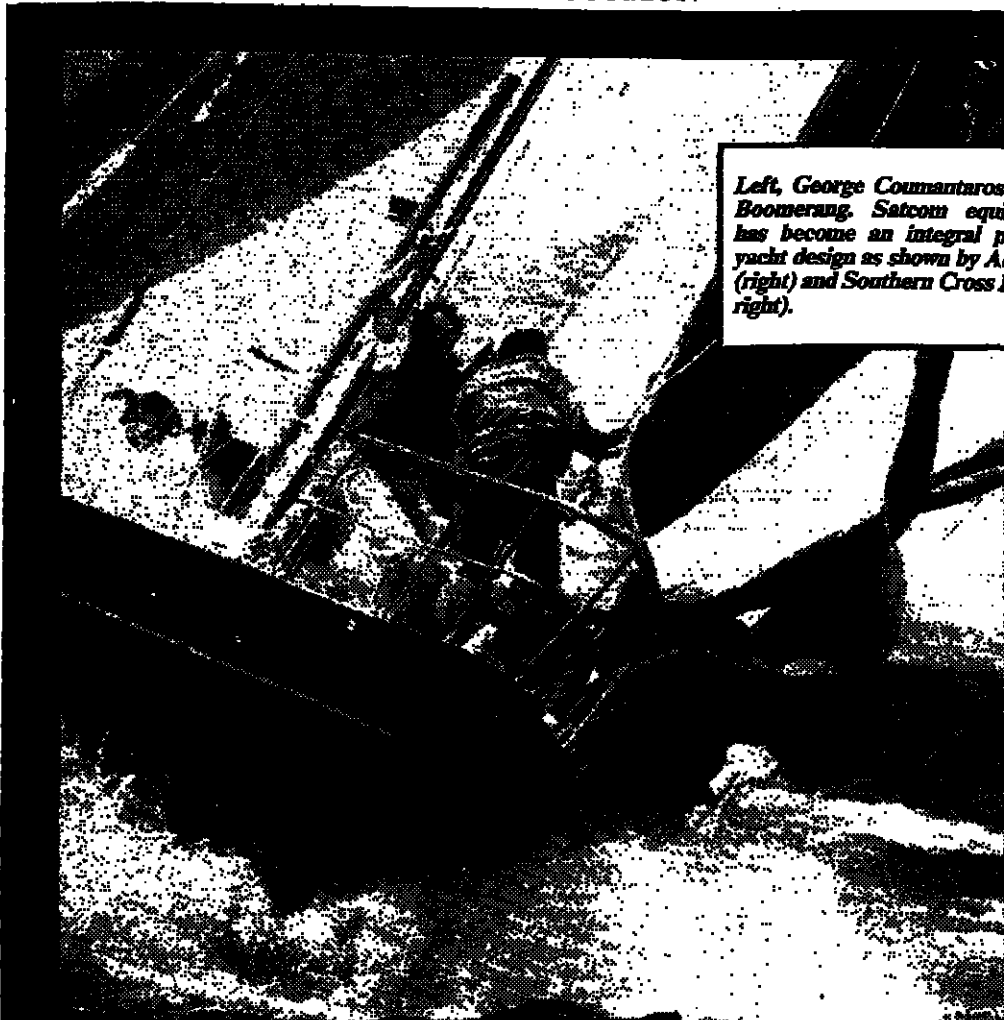
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AFTER 5 RACES:	
1ST Kialoa	13.50 Points
1ST Emeraude	13.50 Points
3RD Il Moro III	14.00 Points
ICAYA MAXI YACHT WORLD CHAMPIONSHIP, 1987 Overall Results	
AFTER 10 RACES:	
1ST Kialoa	24.75 Points
2ND Matador	38.75 Points
3RD Il Moro III	40.00 Points
ROLEX	

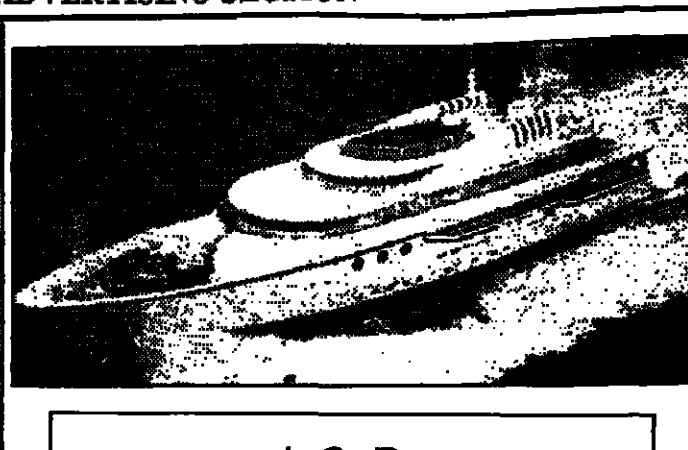
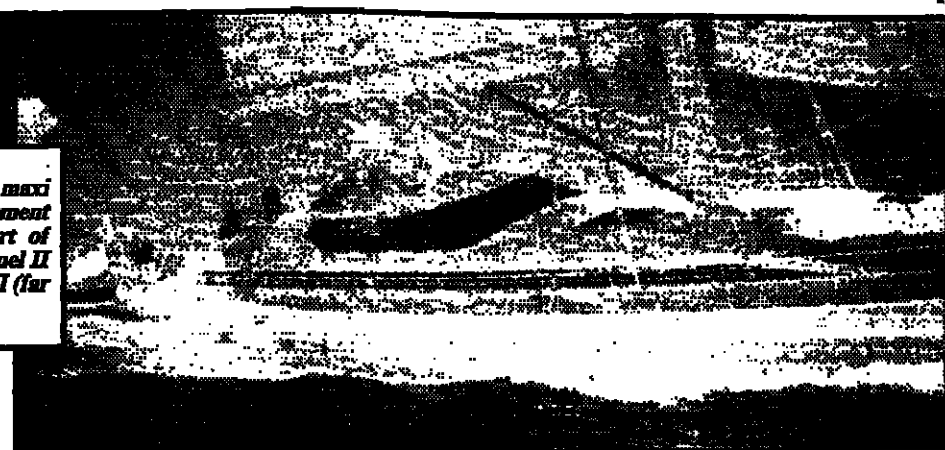


ADVERTISING SECTION

ADVERTISING SECTION



Left, George Comanaros' maxi Boomerang. Satcom equipment has become an integral part of yacht design as shown by Aquel II (right) and Southern Cross III (far right).



### Satellites Aweigh — Full Speed Ahead

THE advent of satellite communications has been a key factor in the growth of the large yacht market, radically changing the way yachts are used. Ten years ago there was no choice but to be a complex escapist at sea; today it is possible to conduct business just as effectively from a yacht as from a city office. As one U.S. owner based in the Mediterranean said: "With a satcom on board, this boat is no longer just a toy, just a place for a vacation. It has become a place to live, simply by being able to carry on business."

The proliferation of the characteristic dome-shaped aerial units on larger yachts is eloquent testimony to the number of owners who welcome this facility. Most people who have the kind of money required to be on this kind of yacht cannot afford to lose touch with business, so the two were mutually exclusive.

The development of maritime satellite communications was motivated by commercial and military considerations, yet only in 1976 did it become available to ships at sea when Comsar launched the first Marisar satellites. In 1982 the service became global with the establishment of INMARSAT, an international cooperative body charged with the management and operation of the satellites. Membership has grown from 22 countries in 1982 to 48 today.

Initially the cost and size of the satcom terminals (or, to use their technical name, ship earth stations) restricted their use outside the military to large commercial operators. However, as competition increased, the size of the units diminished and costs fell to a more affordable level. Once the cost of fitting a terminal had dropped below \$40,000 it became a reasonable proposition for a \$400,000-plus yacht. Today the cost is around \$30,000 and still dropping.

Along with the decrease in size came an increase in facilities. Once the basic utility had been established, it was logical to exploit its potential for more sophisticated forms of communication. The growing range of peripheral equipment means that owners of the top-capacity Standard A system

But this is all in a terminal the size of a shoebox, weighing about six kilos and costing around \$5,000. When it becomes operational some time during 1988, Standard C will be a quantum leap in satellite communications, comparable in its effect with the development of the personal computer.

In many cases satcoms had to be fitted to already existing boats, which raised the problem of aesthetics. U.K.-based installation specialist Hugh Bristow's solution for the classic 1929 motor yacht *Sarina* was to install a radome inside a false second funnel. When *Sarina* was sold and renamed *Ravenhallier*, Bristow was called back to remove the false funnel and reposition the dome farther back. "Either you must hide the dome completely," he asserts, "or you must introduce it in a way that is sympathetic to the lines of the ship."

While King Fahd's megayacht *Abdul Aziz* is still exceptional in having three terminals — one each for the owner, the guests and operations — a satcom terminal is now almost universal in the over-30-meter market. "For both chartering and resale, no large yacht should be without it," says broker Peter Inshall. The time is coming when a boat without satcom will not only be very limited in its appeal for the user, it will simply look undressed.

### Maxi-Racing, Mega-Winners

WAR and the racing of maxi-racer yachts have a great deal in common, except the fatalities are fewer in racing. The intensity of the operations, the strategic capabilities and the financial drains are all the same.

This is serious sport. The yachts themselves may give the impression of exotic butterflies, but they are the ultimate in yacht racing, demanding to a degree that only the addicted would readily tolerate.

Yet the number of owners willing to undertake this masochistic pursuit with a standard of excellence second to none is increasing. Naval architect German Frers, top maxi designer, currently has six boats in the works, including the first ever for a Japanese owner.

For these boats everything has to be created individually; nothing comes off the shelf. They are 25 percent bigger in overall length than the 12-meter class used in the America's Cup race, and the latest mass tower 132 feet above the sea, 40 feet higher than that of Dennis Conner's *Stars & Stripes*. Maxi-racers, twice the length of Admiral's Cup yachts, develop hull and rig loadings with which the hardware manufacturers can barely keep pace. Constant change and improvement characterize the quest for winners in one of the most competitive forms of racing in the world.

Where else would people build four half-scale boats, 40 feet long, and race them to find the fastest before building it to full scale? Maxi owner Bill Koch was prepared to go to those lengths before committing upwards of \$2.5 million to the final product.

The current crop are very special yachts, leveled by an enormously complex rating rule. The aim here is to achieve an ideal 70-foot rating as defined by the International Offshore Rule. The maxi sailor's sole ambition is to be the first home. These owners are all men who have been successful in business and who are enjoying the fruits of their

labors to the full. Father of them all is John B. "Jim" Kilroy, whose latest *Kialoa* bears the number V, the fifth in a line of yachts designed for the sole purpose of winning every race they enter.

His oldest rival is Sumner "Huey" Long, whose pale blue *Ondine* are also remodeled to keep up with the game. Long's son, Russel, who headed an America's Cup campaign with *Clipper* in 1983, often steers *Ondine*.

For the winner the reward is glory, a cup and perhaps some gold watches, for regattas like the second half of the world championship in Porto Cervo are often sponsored by Rolex. The first half of the championship was held in Newport, Rhode Island, in June when *Kialoa V* won. The points gained there will be added to those obtained in Porto Cervo to decide who is number one in the class. The gentlemen's conventions of this class will allow Raoul Gardini to carry the points that his older boat won in Newport over to those his new boat, the 82-foot *Il Moro di Venezia III*, will accumulate in Sardinia.

*Il Moro III* represents the latest thinking of German Frers. He has made a dramatic step forward in discarding the favored masthead rig for a fractional one, reversing the roles of the headsail and mainsail. The racing mainsail of this Italian boat is close to 200 square meters, bigger than the total spread of a 12-meter, and quite the largest that the internationally renowned North Sails have ever built. The president of the company, Tom Whidden, stood at Dennis Conner's shoulder in *Stars & Stripes*; in Porto Cervo he is calling the shots for Kilroy.

Conner, meanwhile, will leap aboard the mini-maxi *Emeraude*, a 70-footer owned by Jacques Dewailly. Mini-maxis were intended to be the largest size allowable. Now they form a sub-group at each of the regattas often beating the true maxis on handicap.

Shipping magnate George Comanaros has claimed the services of Olympic gold medalist Robbie Haines for *Boomerang*, launched in 1984 and the top maxi until this year. Kilroy built *Kialoa V* because he "got bored with being beaten by *Boomerang*," and others, like Huey Long, shared the same sentiments. Their old boats were also nearing the end of the modifications that are so much a part of the maxi scene. As designer Ron Holland remarks: "Some maxis have more face-lifts than an aging Hollywood star."

Now all the existing fleet may be obsolete and no amount of alteration adequate. Just as the Holland-designed *Kialoa IV* was a breakthrough boat five years ago, so is *Il Moro di Venezia III* today. At a recent maxi regatta in Palma, Majorca, Raoul Gardini scored three first and two second places in five races with the brand-new and basically untuned *Il Moro*. Those who were aboard predict it will annihilate the opposition in the second half of the Rolex World Championship.

Porto Cervo is the perfect venue for maxi sailors. The pink-and-ocher washed resort created by the Aga Khan is a fitting setting for these thoroughbred yachts racing. The Rolex Cup, the culmination of the class's world championship, will provide yet another opportunity to prove their pedigree.

—Bob Fisher

ICAYA ROLEX CUP  
Porto Cervo,  
2-10 September 1987

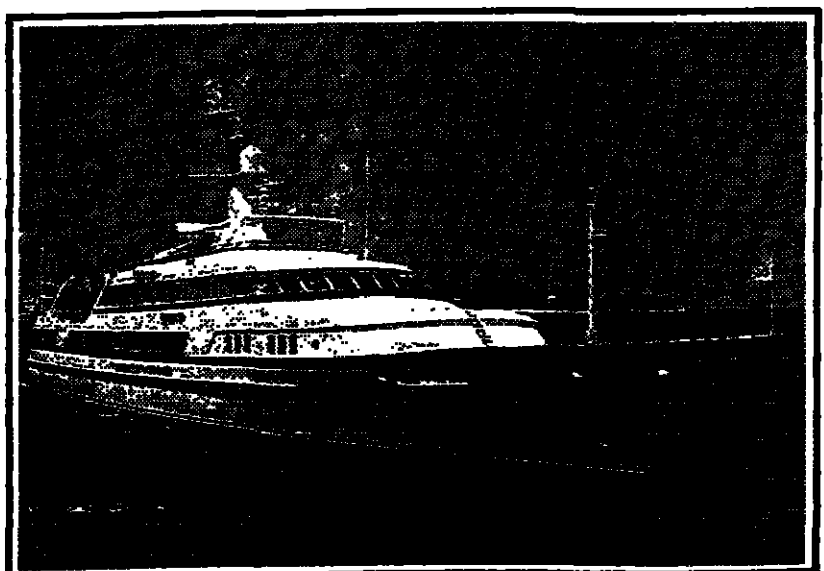
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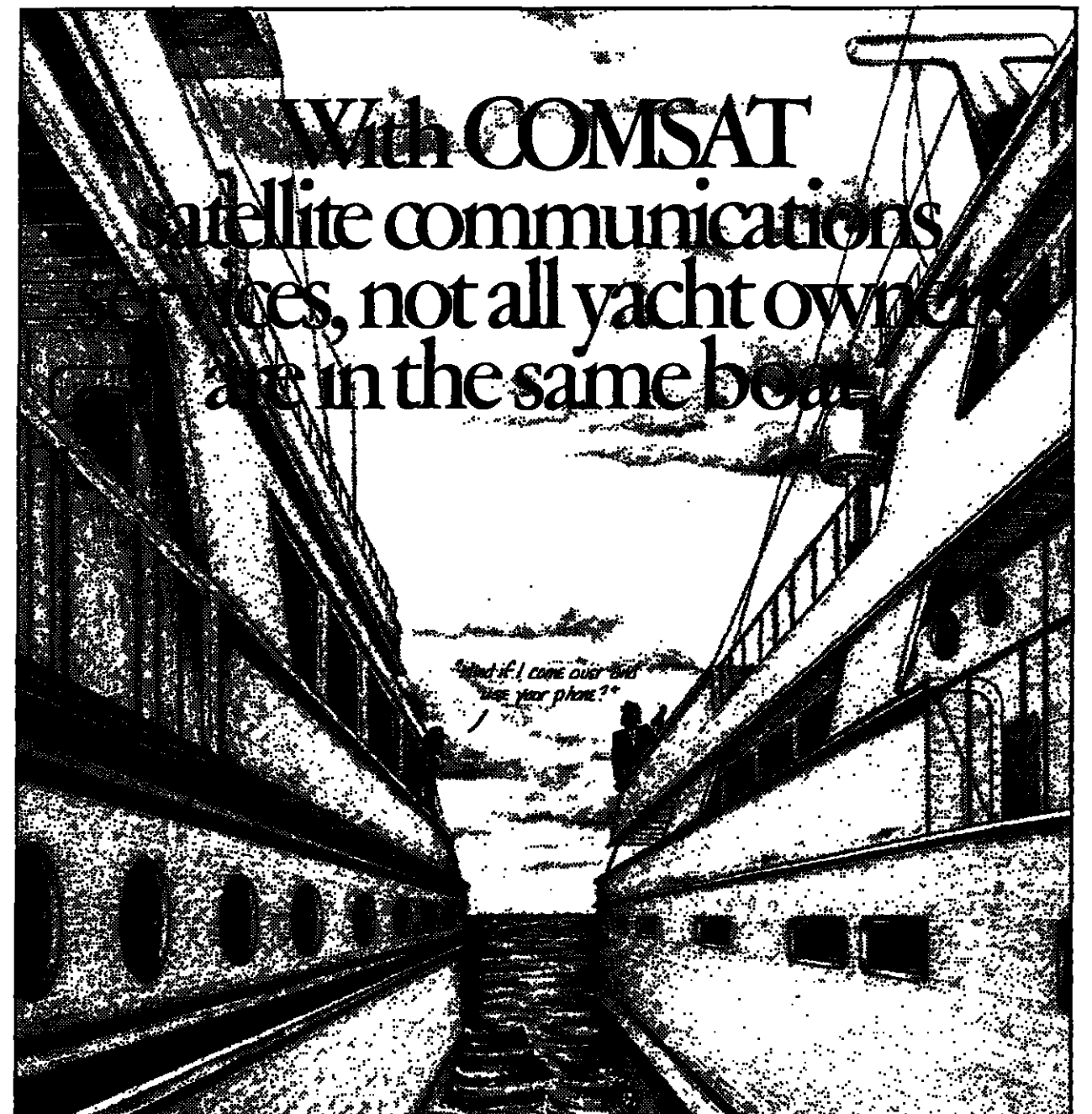
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Friday	Sept. 19	Prologue
Saturday	Sept. 19	Coastal Race Monaco-St. Tropez
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Thursday	Sept. 21-24	Olympique Triangle
Friday	Sept. 25	Day Off/ "entrapage" 7 p.m. Awards
Saturday	Sept. 26	Day Off

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NYSE Most Actives table with columns for Vol., High, Low, Last, Chg. listing top trading stocks like Daymond, USFC, etc.

Market Sales table showing NYSE 4 p.m. volume, NYSE adv. com. close, etc.

NYSE Index table with columns for High, Low, Close, Chg. listing Composite, Industrial, etc.

Friday's NYSE Closing Via The Associated Press logo and text.

AMEX Diary table with columns for Adv. Decl., Unch., Total Issues, etc.

NASDAQ Index table with columns for Class, Chg., Prev., Year, etc.

AMEX Most Actives table with columns for Vol., High, Low, Last, Chg. listing Block E, etc.

Dow Jones Bond Averages table with columns for Class, Chg., Prev. listing Bonds, Utilities, etc.

NYSE Diary table with columns for Class, Chg., Prev. listing Advanced, Declined, etc.

Odd-Lot Trading In N.Y. table with columns for Buy, Sell, %Vol listing Best, 17, etc.

Dow Jones Averages table with columns for Open, High, Low, Last, Chg. listing Indust, Trans, etc.

Standard & Poor's Index table with columns for High, Low, Close, Chg. listing Industrials, etc.

NASDAQ Diary table with columns for Class, Chg., Prev. listing Advanced, Declined, etc.

AMEX Stock Index table with columns for High, Low, Close, Chg. listing High, Low, etc.

Large table of stock prices under 'A' section, listing various companies and their prices.

NYSE Falls in Calm 'Witching'

Main article text starting with 'NEW YORK — Prices on the New York Stock Exchange slipped in active trading Friday...'

Table of stock prices under 'B' section, listing companies like AAR, etc.

Table of stock prices under 'C' section, listing companies like AAT, etc.

Table of stock prices under 'D' section, listing companies like ABE, etc.

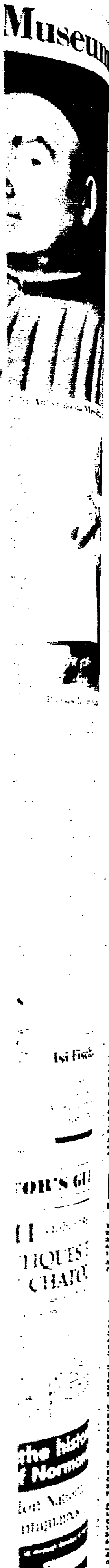
Table of stock prices under 'E' section, listing companies like ABE, etc.

Large advertisement for 'FRENCH COMPANY HANDBOOK 1987' with detailed text and contact information.

Large table of stock prices under 'F' through 'H' sections, listing various companies.

Vertical advertisement on the right edge of the page, including 'Economic', 'Target Zones', and 'Interest Rates'.





Statistics Index

Table listing various statistics such as ANEXE, ANEXE, ANEXE, etc., with their respective page numbers.

SATURDAY-SUNDAY, SEPTEMBER 19-20, 1987

Herald Tribune BUSINESS/FINANCE

U.S. Stocks Report, Page 10 Page 11

ECONOMIC SCENE

Fiscal Timidity Jeopardizes 'Target Zones' for Dollar

By LEONARD SILK New York Times Service

NEW YORK — After last week's announcement of a record U.S. merchandise trade deficit of \$16.47 billion in July, stocks and bonds rallied and the dollar, after a brief drop, climbed back on Tuesday, after the announcement of a record deficit in the second quarter of \$41.1 billion in the current account, a broader measure of trade, the securities markets fell and the dollar dropped.

Despite all this seemingly random fluttering, the markets have not panicked and the dollar has been holding within the probable "reference" bands or "target zones" set by the Group of Five industrial countries — the United States, Japan, West Germany, Britain, and France — in Paris in February.

There has never been official confirmation that those currency zones exist. Indeed, there are reasons to think that the pact, known as the Louvre accord, was a loose one, giving the countries freedom to intervene or not intervene, depending on their interpretation of national needs and economic developments.

Nevertheless, the heavy intervention by central banks and the course of the dollar since the Louvre meeting lend support to the market's view that target zones exist. During the first five months of 1987, a dozen governments spent \$78 billion buying dollars, with Japan, West Germany, and Britain the biggest dollar buyers.

The U.S. contribution to supporting the dollar has been relatively modest. According to a Federal Reserve bulletin, it amounted to \$4.1 billion from February to April, all financed by drawing on its foreign currency balances. Washington might have taken on more of the exchange risk of supporting the dollar by borrowing foreign currencies, especially yen, by issuing "Reagan bonds" similar to those issued by the Carter administration.

Denominated in strong foreign currencies and backed by the Treasury, Reagan bonds might have eased the pressure on U.S. interest rates. But President Ronald Reagan and Treasury Secretary James A. Baker 3d rejected the idea.

THE FUNDAMENTAL reason for doing so, said Stephen Martin of the Institute of International Economics, was that "decision by the United States Treasury to borrow in foreign currencies could well be interpreted by the markets as a sign of weakness."

Most unpleasant of all, from a political standpoint, would be the need for the Reagan administration to agree to increase taxes and cut military spending to reduce the budget deficit, which most economists regard as crucial to reducing the trade deficit. Such action could increase the risk of recession.

There also has been resistance on the side of the Europeans and Japanese against taking the fiscal actions needed to correct their trade imbalance with the United States. They could do this by cutting taxes or raising outlays, military or civilian. But, fearing inflation and the loss of foreign markets, the European countries and Japan have dragged their heels on stimulating faster growth.

Without such "convergent" fiscal actions on both sides of the Atlantic and Pacific, the U.S. trade deficit and, over time, the decline of the dollar are likely to persist.

Thanks to heavy central bank intervention that has cowed the markets, the dollar has been holding up this year. A hopeful view, Mr. Martin says, is that central banks are giving breathing space to the markets, and time to governments to overcome the political obstacles to taking fiscal action.

But a much darker view is that the current pattern of exchange rates cannot hold much longer and that the necessary changes in policy are unlikely to be made in time to prevent big trouble: runs on the dollar, escalating interest rates, an inflationary recession for the United States, and a hard landing for the world economy.

Reagan Economist Resigns

Sprinkel Leaves As Council Head

The Associated Press

WASHINGTON — Beryl W. Sprinkel, a conservative economist who muted his criticism of the Federal Reserve Board to serve as President Ronald Reagan's top economic adviser, resigned on Friday.

Mr. Sprinkel, 63, cited personal reasons and a desire to return to the private sector. His resignation takes effect in late November.

Mr. Sprinkel said he would return to Flossmoor, Illinois, a Chicago suburb. He said he had no specific plans but hoped to be a corporate consultant, do some public speaking, writing and possibly some teaching.

Economists said they did not think Mr. Sprinkel's departure as chairman of the Council of Economic Advisers would signal any change in administration economic policy. He has held the post since April 1985.

"The history of the council under Reagan has been that Reagan has been his own chief economist," said Allen Sinai, chief economist for Shearson Lehman Brothers in New York. The council and its chairman "have essentially been ignored by Reagan for years," he added.

David Jones, chief economist for Aubrey G. Lanston & Co. in New York, said the major influence on the administration's economic policy-making had been Treasury Secretary James A. Baker 3d and the Fed. "I don't see any changes in budget policy or monetary policy coming out of this resignation," Mr. Jones added.

Leading candidates for Mr. Sprinkel's job include two other members of the council, Thomas Gale Moore and Michael Mussa, according to administration sources.

Close associates of Mr. Sprinkel, who spoke on the condition of anonymity, cited his disappointment with being passed over for the job of Federal Reserve chairman last June as a factor in his decision. The post went instead to Alan Greenspan.

But Mr. Sprinkel said: "I'm not leaving with sour grapes or irritation. I'm leaving with great respect for the governmental process and for President Reagan in particular."

President Reagan, in a letter to Mr. Sprinkel, said he accepted the resignation "with the deepest regret."

Mr. Sprinkel had been a frequent critic of the Fed's monetary policies in his former job as assistant Treasury secretary for monetary affairs and, before that, as vice president and senior economist for Harris Trust & Savings Bank in Chicago.

But he maintained a low profile in the White House job, usually refusing to comment in any fashion on Fed policies.

However, Mr. Sprinkel said he planned to be more vocal as a private citizen. "I have some knowledge, certain views, about policy and business issues and I expect to speak out on them," he said.



Overseeing output at Gesamttextil, the West German textile producers association.

A New Sheen to German Textiles

Firms Use Design, Technology to Fight Asian Threat

By Ferdinand Proetzman International Herald Tribune

FRANKFURT — In 1970, the West German textile industry looked like it was about to be buried in a shroud labeled "Made in Hong Kong." With cheap textiles imported from Asia rapidly flooding the European market, many were predicting a quick yet painful demise.

But today, thanks to a greater emphasis on restructuring, technology and creativity in design and marketing, the West German industry is alive and kicking.

One might say that the shroud has been replaced by a designer suit labeled "Made in Germany." Fashionism has given way to the conviction that ingenuity and engineering can keep the textile makers going.

But it is at best a precarious existence. For West Germany's textile industry, survival "contains both the elements of creation and destruction," said Wolf Dieter Kruse, president of the producers association Gesamttextil.

The number of factories and workers has been reduced by half over the past 15 years, but production has been fairly stable. West Germany's leadership in developing new technologies has pushed sales even higher.

Ironically, the technological advances that are helping West Germany hold its position as the No.

3 textile exporter and No. 2 importer are a threat to the industry's existence.

The technology is rapidly adopted by competitors in countries with low labor costs such as South Korea, Hong Kong and Taiwan. The result is a seemingly ever-tightening, competitive circle, with success barely lasting long enough to be savored.

"It's a rapid adaptation," said Walter Ferner, the managing board chairman of Nino AG of Nordhorn, which is one of the nation's largest makers of cotton fabrics for the clothing industry.

"The Asian nations get the new machines immediately and they learn very quickly," he said. "A new textile product in the fashion industry has a life span of one, maybe two years. By then, you better have come up with something else."

Shifting foreign exchange rates, protectionist measures and the ups and downs of prices of raw materials add to the daily pressure on West German textile manufacturers, Mr. Ferner said.

Most of them are small- and medium-size companies. Their problems are a microcosm of the situation faced by medium-size West German industrial concerns competing on an international scale.

Despite the obstacles, textile industry sales rose last year to 36.5 billion Deutsche marks (\$20.1 billion).

SEE TEXTILES, Page 15

Japan's Growth Slowed to Halt In 2d Quarter

Reuters

TOKYO — Japan's economic growth slowed to a halt in the second quarter, the Economic Planning Agency said Friday, causing fears that the country's economic policy will come under renewed attack from abroad.

The slowdown to zero growth, when adjusted for inflation, followed robust annualized growth of 1.2 percentage points to GNP performance in the second quarter, while foreign trade knocked off 1.1 points. In the first quarter, demand contributed 0.8 point, while foreign trade added 0.5. The figures do not tally exactly, because of rounding.

The agency said exports fell 1.6 percent in terms of value in the second quarter from the previous quarter, while imports rose 5.9 percent.

The negative 1.1 point contribution of foreign trade to GNP in the second quarter consisted of 0.3 point from exports and 0.9 from imports.

News of Japan's poor economic performance emerged days ahead of the start of international meetings in Washington, where the United States is expected to press both Japan and West Germany to do more to help the world economy.

They predicted that the poor performance would not prevent the government from hitting its 2.5 percent growth target for 1987-88. But they said they were afraid the United States would use the second quarter figures to badger Japan into pumping up its economy further.

The slowdown in Japan's growth is likely to put downward pressure on the dollar, analysts said.

The agency also said that gross national product, the country's total output of goods and services, grew 1.3 percent in the first quarter from the previous quarter, revised upward from 1.2 percent.

In nominal terms, GNP fell 0.2 percent in the second quarter from the previous period after a revised 0.9 percent rise in the first quarter. First quarter growth was originally put at 0.7 percent.

Domestic demand showed a real 1.2 percent quarter-on-quarter rise in the second quarter after an upwardly revised 0.8 percent rise in the first quarter. The first quarter figure was originally put at 0.7.

Domestic demand contributed 1.2 percentage points to GNP performance in the second quarter, while foreign trade knocked off 1.1 points. In the first quarter, demand contributed 0.8 point, while foreign trade added 0.5. The figures do not tally exactly, because of rounding.

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Brazil Plan Is Reported To Seek Lower Interest

But It Offers Some Payment of Arrears

By Juan de Onis International Herald Tribune

BRASILIA — A new Brazilian proposal for refinancing part of its \$110 billion foreign debt will offer a small payment on interest arrears in return for a reduction in future interest charges by creditor banks, according to banking sources.

Brazil declared a moratorium on foreign debt service in February. Since then, about \$2.8 billion in interest has been unpaid.

If payments are not resumed by next month, bank inspectors in the United States and Japan may declare the value of Brazil's debt "impaired," requiring banks to increase contingency reserves and incur losses.

Already, some major banks have designated billions of dollars in loans to Brazil as delinquent and

have set aside billions of dollars in provisions for doubtful loans that banks caused losses or greatly reduced profits.

These banks include Citicorp, Chase Manhattan Corp., Bank America Corp., National Westminster Bank PLC, Midland Bank PLC and Lloyds Bank PLC.

Brazil's finance minister, Luiz Carlos Bresser Pereira, who plans to be in Washington next week to reopen negotiations with creditor banks, has modified an earlier proposal to convert about \$35 billion in debt into long-term bonds, with a discount.

Treasury Secretary James A. Baker 3d told Mr. Bresser Pereira during a meeting in Washington on Sept. 8 that the debt-discount concept was a "nonstarter." The proposal called for about half of the \$68 billion owed to foreign banks to be converted to bonds that would be sold at a sharp discount.

The proposal was also sharply rejected by foreign bank creditors.

The new proposal maintains the conversion of debt into bonds, at full value, but with fixed interest rates lower than those now being applied to the existing debt.

In compensation to the creditors, the bonds would carry the privilege of conversion into selected Brazilian equities, the sources said.

The conversion of debt to equity is attractive to many banks. Until now, Brazil has been more restrictive about authorizing such conversions than Mexico or Chile, where conversion has reduced the debt by \$2 billion, or 10 percent.

With his new proposal, Mr. Bresser Pereira hopes to get the creditor banks to open negotiations on an interim agreement that would avoid a reduced classification of Brazil's credit, which would be a political blow to the government of President José Sarney.

But Fernando Bracher, former president of Brazil's central bank and the chief negotiator with the private foreign banks, has insisted to U.S. diplomats that Brazil must get something in return for making even a token interest payment.

One form of compensation could be a reduction in the "spread" being charged on Brazil's \$68 billion medium-term debt to private banks, which is now 2 percent over the London interbank offered rate. Mr. Bresser has said he wants a zero spread.



Luiz Carlos Bresser Pereira

U.S. Raises Estimate Of GNP Growth to 2.5%

Compiled by Our Staff From Dispatches

WASHINGTON — The government on Friday raised its estimate of U.S. economic growth during the second quarter to a 2.5 percent rate, saying better-than-expected business investment and trade made the difference.

The Commerce Department had calculated last month that gross national product was rising after inflation at a 2.3 percent annual rate.

GNP is a highly important national economic statistic because it sums up the value of all goods and services produced.

Also Friday, the government said U.S. corporations' after-tax profits grew by 4.3 percent in the second quarter this year, not by 4.2 percent as it previously estimated.

While Friday's figures indicate the economy as a whole is only marginally better than experts had figured, they gave the Reagan administration reason to cheer.

The Commerce Department said one reason that GNP after inflation rose at a 2.5 percent annual rate was that real, or inflation-adjusted, net exports of goods and services grew by \$2.5 billion in the quarter, rather than the \$1.9 billion originally estimated.

Both those numbers are expressed in 1982-value dollars in order to account for inflation.

If real exports were to grow all year at the rate they showed from April through June, the total would end up rising 17.9 percent, the government said. That is the best showing for that category since the first quarter of 1980.

In addition, real investment excluding housing rose by \$11.9 billion instead of the \$9.6 billion first reported. Analysts say such an increase shows business is growing.

The trade and investment gains more than offset downward revisions in personal consumption and government purchases.

However, the big growth in exports was offset somewhat by an 11.1 percent jump in imports, spurred upward by a higher bill for purchases of oil abroad.

The quarter's 2.5 percent growth rate means the economy has slowed from its pace during January through March, when the rate was 4.4 percent.

Many economists believe growth has continued to slow during the current quarter, but the first clear sign will not come until the government issues its estimate of the quarter's GNP on Oct. 23.

For the first six months of the year, GNP grew at a rate of 3.5 percent, faster than the Reagan administration's forecast for the entire year.

In 1986, GNP grew 2.9 percent, and the administration is predicting that the economy will strengthen to a 3.2 percent growth rate for all of 1987.

To meet that goal, economic growth would have to average 3 percent in the second half of the year, a figure that is in line with most private forecasts.

Currency Rates

Table showing currency rates for various countries including American, British, French, German, etc., with columns for currency type and rate.

Other Dollar Values

Table showing other dollar values for various currencies like Argentine, Australian, Canadian, etc.

Forward Rates

Table showing forward rates for various currencies and terms.

Interest Rates

Table showing interest rates for various terms and currencies.

Key Money Rates

Table showing key money rates for various currencies.

West German

Table showing West German rates for various terms.

Swiss

Table showing Swiss rates for various terms.

Japanese

Table showing Japanese rates for various terms.

Dart Group Faces Obstacles On Plan to Buy Out Dayton

The Associated Press NEW YORK — Dart Group Corp.'s proposed \$6.3 billion buyout of Dayton Hudson Corp. faces several obstacles before the deal can be made, including a new Minnesota law designed to protect Dayton Hudson. Another factor involves Dart Group's growing reputation as a corporate raider.

Dart management on Thursday offered \$65 cash plus stock in the surviving company for each of Dayton Hudson's 97.4 million shares outstanding.

Dayton Hudson stock rose \$5.125 to close at \$58 on the New York Stock Exchange on Friday.

Ann Barkleev, a Dayton Hudson spokeswoman, said, "The proposal will be considered by our board of directors in due course. No one should assume that any transaction will result."

Dayton Hudson, which has 34,000 employees in Minnesota, persuaded the state legislature in late June to pass a tough anti-takeover law.

Walter Loeb, an analyst with Morgan Stanley & Co., said he expected Dayton Hudson management to fight the Dart attempt and said the new law would help them.

In its most recent quarter, Dayton Hudson had an after-tax profit of \$23 million on \$2.31 billion in revenue, down from \$36.7 million in earnings on \$2.04 billion in revenue in the second quarter of 1986.

Dart Group, controlled by the Haft family, has made several takeover bids in recent years but has not purchased a single store. But the Haft family has made millions of dollars from payments and profit on stock holdings of companies they have attempted to acquire.

AVIS logo and Praetor Gestion S.A. information.

Gold investment information and contact details.

The Value Line brings you HARD FACTS ON 1700 AMERICAN STOCKS advertisement.

Where the New Bull Markets are Just Getting Started advertisement for Indigo Investment S.A.



Friday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High Low Stock Div. Yld. PE 52-Week High Low One Day Chg.

Table of stock market data including company names, prices, and volume.

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Company Results

Table of company financial results including revenue, profit, and earnings per share.

Florida Governor Seeks Repeal of Services Tax

TALLAHASSEE, Florida — In a public reversal, Governor Bob Martinez called Friday for repeal of Florida's unpopular services tax.

NYSE Highs-Lows

Table of NYSE high and low prices for various stocks.

Company Results

Table of company financial results including revenue, profit, and earnings per share.

NYSE Highs-Lows

Table of NYSE high and low prices for various stocks.

Company Results

Table of company financial results including revenue, profit, and earnings per share.

Vertical sidebar containing various advertisements including Maxwell Raises, London International, and Employment Wanted.



BUSINESS ROUNDUP

Maxwell Raises Stakes In 2 U.K. Bank Groups

Reverses LONDON — The British publisher Robert Maxwell raised his holdings Friday in the banking groups Guinness Peat Group PLC and Henry Ansbacher Holdings PLC, apparently for investment purposes, officials said.



A dealer in New York inspecting a diamond.

De Beers Sets Sights on Higher Prices

Diamond Behemoth Profits From Market's Recovery

Reverses LONDON — Sometime next month, an elite group of 140 businessmen will fly into London from places as far-flung as Antwerp, Bombay, Tel Aviv and New York. They will have one thing in common — diamonds.

Undeterred by Rebuffs, Saatchi Courts Banks

International Herald Tribune LONDON — After unsuccessful proposals to Midland Bank PLC and the merchant bank Hill Samuel Group PLC, Saatchi & Saatchi Co. remains undeterred in its search for a bride in London's financial services sector.

BHP Net Rises 32%, Boosted By Oil Earnings

Reverses MELBOURNE — Australia's largest company, Broken Hill Pty., reported Friday that net profit rose 32 percent to 233.4 million Australian dollars (\$171.04 million) in the first quarter ended Aug. 31, from 176.7 million a year earlier.

London International Grows

Reverses LONDON — London International Group PLC, a manufacturer of condoms, said Friday that it would purchase a company in the same field, HATU-ICO, for \$47.9 million (\$78.9 million).

Tate & Lyle Will Sell Stake in Berisford

Reverses LONDON — Tate & Lyle PLC, a big sugar and tea producer, said Friday it had agreed to sell its 14.99 percent holding in S&W Berisford PLC for around \$100 million (\$164 million).

Sanofi Seeks U.S. Acquisition

Reverses PARIS — Sanofi, the French pharmaceuticals and cosmetics group, reported a 40 percent increase Friday in its first-half net profit and said it was seeking a U.S. acquisition after selling certain holdings to American Home Products.

Converging Technologies

Big problems bring down the Dow, and solid solutions generate swings such as Apple's two-year run from \$75 to \$55. Now Convergent Inc. at \$74 is looking capable of a similar ascent, and Indigo coverage of such opportunities is available with our compliments. Write, phone or telex.

Proust Shares Tumble on Bourse

Agence France-Press PARIS — The stock price of Proust SA, the textile group that is the object of a battle for control, plunged 17 percent Friday on the Paris Bourse.

INTERNATIONAL CLASSIFIED

(Continued From Back Page) LOW COST FLIGHTS ACCESS VOYAGES AU VIEUX CHATELAIN... AU VIEUX CHATELAIN - Fully equipped Swiss style gourmet dining bar, dancing, beverages and private parties.

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 18th Sept. 1987

Table with multiple columns listing international funds and their performance metrics. Includes sections for ALMAAL GROUP, GERMANY, SWITZERLAND, GENEVA, LUXEMBOURG, PORTUGAL, and GERMANY FUNDS.

EMPLOYMENT DOMESTIC POSITIONS WANTED FRENCH GIRL, 22, SPEAKS AU PAIR... FRENCH GIRL, 22, SPEAKS AU PAIR in NYC or San Francisco from October 1987 to July 1988.

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ESCORTS & GUIDES MADRID Escort Services, Tel: 299 90 02... ESCORT SERVICE LONDON BELGRAVIA Escort Services, Tel: 796 3577.

ESCORTS & GUIDES FRANKFURT NUMBER ONE Escort Service, Tel: 069 44 75 75... ESCORT SERVICE LONDON BELGRAVIA Escort Services, Tel: 796 3577.

Be sure that your fund is listed in this space daily. Telex: Matthew GREEN at 01359DF for further information.







CURRENCY MARKETS

Dollar Lower on Rumored G-7 Plan

NEW YORK — The dollar closed lower Friday on suspicion that the Group of Seven major industrial democracies might move to lower acceptable trading ranges for the U.S. currency when they meet in Washington next week.

London Dollar Rates

Table with columns for currency (Deutsch mark, Pound sterling, Japanese yen, Swiss franc, French franc) and rates (100, 1000).

that the dollar would remain within a range of 1.79 DM to 1.82 DM against the mark ahead of the meeting of finance officials.

G-7 May Alter Dollar-Yen Range

TOKYO — The Group of Seven industrial nations is likely to reach tacit agreement later this month to lower the dollar's permissible range to 130 to 150 yen, a Japanese newspaper said Friday, quoting international financial sources in New York.

As Business Tax Pours In, Fed Boosts Reserves

NEW YORK — The Federal Reserve is pumping huge amounts of reserves into the banking system to prevent interest rates from rising sharply as a result of corporate tax payments in September, according to economists.

TEXTILES: Amid Asian Threat, Ingenuity Keeps German Industry Going

(Continued from first finance page) billion at current rates, a 45 percent gain from 25.13 billion DM in 1970.

West Germany exported 26 billion DM of textile products in 1986, up 2.5 percent from the previous year. It imported textiles worth 34.6 billion DM, up 4.4 percent from 1985.

According to Mr. Kruse, the industry's deepest postwar crisis came in the early 1970s. Slowing domestic demand, the introduction of floating rather than fixed foreign exchange rates and the rapidly expanding production capacities of developing nations and their emergence as major market powers made the outlook bleak for West German textile producers.



Wolf Dieter Kruse

Euro-Commercial Paper

Table with columns for maturity (15-45 days, 46-75 days, 76-105 days, 106-135 days, 136-165 days, 166-183 days) and various financial metrics.

Finance ministers of the Group of Seven — the United States, West Germany, Japan, Britain, France, Italy and Canada — are expected to discuss foreign exchange policies prior to the International Monetary Fund and World Bank meeting that starts next weekend in Washington.

They said the provision of reserves through open market operations shows that the Fed has no intention at the moment of following up its increase in the discount rate by further tightening its grip on credit.

Discount window borrowings in the week, the first half of a statement period, were just \$363 million a day, and fed funds, which averaged 7.21 percent in the week, fell to 7.0625 percent on Thursday, reflecting ample liquidity in the system.

Flow of cash through the system may be particularly difficult for the Fed to handle this month, economists noted. On the first two quarterly corporate tax payment dates this year following the introduction on Jan. 1 of a new tax code, companies were allowed to cover their obligations to the Treasury by remitting 120 percent of their corresponding 1986 payments.

Mr. Kruse said, "They underestimated the vitality and adaptability of our sector."

Factory owners also have been hard-hit by the turbulent change in the industry's structure. Between 1970 and 1986, the number of textile plants fell to 1,270 from 2,596.

Friday's OTC Prices. NASDAQ prices as of 4 p.m. New York time. Via The Associated Press.

Table A: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table B: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table C: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table D: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table E: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table F: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table G: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table H: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table I: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table J: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table K: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table L: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table M: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table N: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table O: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table P: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table Q: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table R: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table S: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table T: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table U: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table V: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table W: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table X: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table Y: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table Z: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table AA: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table AB: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table AC: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table AD: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Table AE: 12 Month High Low Stock Div. Yld. PE High Low 4 P.M. CHG.

Friday's AMEX Closing. Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trade elsewhere.



SPORTS

Giants' Reuschel Pitches His Way Up in the League

The Associated Press SAN FRANCISCO — The ride from the basement to the penthouse has been very smooth for Rick Reuschel.

In July, Reuschel was pitching for a last-place team. In less than three weeks, he is likely to start the first game of the National League playoffs.

Reuschel pitched a two-hitter as the San Francisco Giants won their sixth straight game by defeating the Houston Astros, 4-0, Thursday.

"I'm just happy to be here and part of this. I've been excited since I've been here," Reuschel said.

Reuschel, the Giants' manager, said after the game that Reuschel, who was acquired from Pittsburgh in late August, would start the NL playoff opener on Oct. 6.

Reuschel now has the league's best earned run average, 2.64, and is 5-1 with a 2.18 ERA since joining the Giants.

Reuschel walked one, struck out five and did not allow an Astro past first base on Thursday night.

"He pitched great for a last-place club, but that's what you want, and he's pitched even better for us, a better club," Craig said.

"If you wanted to pick anyone to establish momentum on the mound for us, it would have to be Reuschel," said left-hander Dave Dravecky.

Reuschel was locked in a scoreless battle with Danny Darwin until the sixth inning, when Bob Brenly followed two-out walks to Candy Rodriguez and Will Clark with a two-run double.

The Giants added two runs in the seventh on RBI singles by Mike Aldrete and Maldonado.

"At this point, we're sure getting all the breaks and things are going right, but in the playoffs we'll be 0-0 and we'll have to start all over," Reuschel said.

"They're doing everything right. They've had excellent defense, great pitching and timely hitting," Houston's manager, Hal Lanier, said.

Pirates 1, Cardinals 0: In Pittsburgh, Mike Dunne, traded away by St. Louis in April, pitched three-hit ball over six innings to beat his former club for the second time this season.

Expos 4, Mets 1: In Montreal, Pascal Perez pitched a four-hitter and Hubie Brooks broke a sixth-inning tie with a two-run homer for the Expos' victory over New York.

Phillies 4, Cubs 3: In Philadelphia, Steve Jeltz's two-run double capped a three-run second and the Phillies used four relievers to defeat Chicago.



The Expos' Mitch Webster ducks a pitch, but too late.

Herzog on Stengel And 'Tra-La-La'

By George Vecsey NEW YORK — This will provide scant consolation to New York fans watching the Yankees disappearing down the sinkhole.

The manager of the Cardinals, no lover of New York, is nevertheless a disciple of Charles Dillon Stengel, who helped bring 10 pennants to the Bronx and create a legend in Queens.

Stengel has been gone since 1975, but it is of comfort to know that gruff Stengelian wisdom continues to be spread like rich mulch on the pastures of baseball by the likes of Whitey Herzog.

While visiting his favorite town last weekend, Herzog sat in his office in his underwear and paid homage to his mentor.

Herzog's tribute to Casey began with an explanation that Terry Pendleton had certainly not been trying to jack one out of Shea Stadium last Friday night, when he hit his two-run homer to even the score with two out in the ninth.

The Cardinals are known for mooting their way around the bases, but Herzog noted that this is not only because of the distant fences and the hard fraudulent turf of Busch Stadium.

"I have been training for three months without any trouble. I'm feeling much more relaxed," she was quoted as saying.

Budd was at the center of a controversy when, at age 17, she obtained British citizenship to compete internationally, mainly in the 1984 Olympics Games at Los Angeles.

Because of its policy of apartheid, South Africa is banned from international competition, and whenever the barefoot runner competed, she was hounded by anti-apartheid demonstrators.

In the women's 3,000-meter final at the Los Angeles Olympics, she was involved in a collision with Mary Decker of the United States.

Decker fell to the infield and was injured, while Budd went on to finish a disappointing seventh amidst loud booring from the crowd.

Again calling herself Davies, she won a 2-mile cross-country race at Horesheim last weekend.

Budd was quoted in several British newspapers as saying that her injuries, which had cast a shadow over her career, now were cured.

Budd, 21, who was born in South Africa and granted British citizenship in 1984, made her last appearance in a major competition at the European championships in Stuttgart a year ago.

Week 2: It Could Be a Short Season

By Gerald Eskenazi NEW YORK — Is that all there is? Will it be a two-game season, with the New Orleans Saints guaranteed their best standing ever at least a tie for first in their division?

There is a poignancy about the National Football League's second week of games, for it could be the last if there is a strike — unless, of course, the league goes ahead with its plans to field strike teams starting with Week 4.

After one game, neither of the league's top two draft picks has been seen. And Vinny Testaverde will again watch as Steve Deberg leads Tampa Bay against the Bears in Chicago Sunday, while Cornelius Bennett is still a holdout for the Colts, who host the Dolphins.

NFL PREVIEW last if there is a strike — unless, of course, the league goes ahead with its plans to field strike teams starting with Week 4.

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NATIONAL CONFERENCE Dallas Cowboys (0-1) at New York Giants (0-1) — Bill Fawcett wasn't just moulting old coaching clichés when he warned the Giants they had better start producing.

Look for the Giants' offense to protect Phil Simms this time after the trouncing by the Bears on Monday. The result should be an attack to do some damage, running and passing. The Giants have been favored by Harrah's Reno Race & Sports Book to win by 12 points.

Minnesota Vikings (1-0) at Los Angeles Rams (0-1) — Ernie Zampese, the Rams' new offensive coordinator, tried too much too soon with the young Jim Everett at quarterback. The result: only 16 points and a loss to Houston. Now, after another week of work, Everett faces a very solid Viking team that has Wade Wilson performing at quarterback for the injured Tommy Kramer. Rams by 4.

New Orleans Saints (1-0) at Philadelphia Eagles (0-1) — The Eagles have come to terms with an important player. Roynell Young, and he will step in at left cornerback to replace William Frizzell, beaten badly by the Redskins a week earlier. Kueben Mayes' running in the big Saints' game. Saints by 12.

Tampa Bay Buccaneers (1-0) at Chicago Bears (1-0) — High-flying Boos against the possibly flat Bears? Well, the Bucs may find out. Bears are bigger than Falcons. The Bears have won 24 of their last 26 games against division opponents, but Coach Mike Ditka is concerned about a letdown and the short week after the big game against the Giants. Bears by 14.

Washington Redskins (1-0) at Atlanta Falcons (0-1) — Last week, the Redskins lost their quarterback (Jay Schroeder), star runner (George Rogers), center (Russ Grimm) and place-kicker (Jess Atkinson). But what better team to play the scrubs against than the Falcons, who yielded 48 points to Tampa Bay? Not so fast. Atlanta's defense isn't that bad. It should have some success in hurrying Doug Williams at quarterback. Redskins by 7.

AMERICAN CONFERENCE Houston Oilers (1-0) at Buffalo Bills (1-0) — Jim Kelly was one of only three quarterbacks who completed 50 percent of their passes against the Oilers in 1986. Houston started off 1987 by holding the Rams' Everett to 9 completions in 26 attempts. Kelly will need some running-game help, missing in the opener against the Jets. Bills by 3.

Kansas City Chiefs (1-0) at Seattle Seahawks (0-1) — A year ago, the Seahawks began a four-game losing streak in dropping a game at Denver. They have a tough rebounding job this season against a Chiefs' team whose rookie runner, Christian Okoye, produced a 105-yard debut. Seattle must halt the run, which it couldn't do against the Broncos. Seahawks by 7.

ST. LOUIS CARDINALS (1-0) AT SAN DIEGO CHARGERS (0-1) — Dan Fouts can neutralize anyone's pass rush, so the Cardinals' eight sacks in the victory over Dallas mean less here than one might think. The Chargers' defense continues to improve, especially with Chip Banks at linebacker. Chargers by 4.

Yanks Topple Jays From Lead

NEW YORK — A two-out single in the bottom of the ninth inning by Dan Pasqua scored Willie Randolph from second base Thursday night and gave the New York Yankees a 6-5 victory over the Toronto Blue Jays, knocking the Jays out of first place in the American League East.

New York ended the Blue Jays' three-game winning streak and put them 1 1/2 games behind idle Detroit.

The Yankees had tied the score with a bouncer run in the eighth, an inning in which the Toronto manager, Jimmy Williams, was ejected. The Yankees played the game under protest. The game featured an 85-minute rain delay in the sixth.

Dave Rightetti pitched one inning for the victory, while Tom Henke took the loss.

In the eighth, Toronto pitcher David Wells struck out pinch-hitter Phil Lombardi, who reached first base when catcher Ernie Whit trapped the third strike. Whit failed to throw to first base and instead tossed the ball around the infield. Williams contended that Whit had caught the ball and the Yankees played the game under protest, adding that Wells took too many warmups during the argument.

Jose Beniquez put Toronto ahead 5-4 with his seventh hit of the season, a three-run shot that capped a five-run fifth. The Yankees had led 4-0 after three innings.

White Sox 9, Mariners 8: In Chicago, Carlton Fisk led off the 10th by lining the ball into the left-center field bleachers to give the White Sox the victory over Seattle. Fisk's 20th homer of the year and his 15th game-winning RBI came after the Mariners had tied the score with four runs in the top of the ninth.

Royals 7, Angels 6: In Kansas City, Missouri, Danny Tartabull's two-out, bases-loaded single in the bottom of the ninth led the Royals past California. Tartabull's hit off reliever Greg Minton came after Willie Wilson and Bill Pecota had both singled and George Brett was intentionally walked. (AP, UPI)

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San Francisco 49ers (1-0) at Cleveland Browns (0-1) — From his safety position, the Steelers' Donnie Shell will zero in on the Browns' tight end, Orzie Newsome. Rejuvenated Pittsburgh defense shows linebacker and secondary strength and will be tested against multiple-offense Browns by 6.

Budd to Try a Comeback After 2 Unpublicized Races

LONDON — Zola Budd, who arrived in international track in a blaze of publicity, will try to make a public comeback from injury on Saturday after racing twice under an assumed name.

Budd, 21, who was born in South Africa and granted British citizenship in 1984, made her last appearance in a major competition at the European championships in Stuttgart a year ago.

She has been suffering from a hamstring injury, but she has raced recently in two British club races under an assumed name.

"But she has entered here under her own name," he said.

While attention was focused on the World Track and Field Championships at Rome, Budd ran in a road runners' handicap around Hyde Park in London under the name T. Davies, finishing far back in the field.

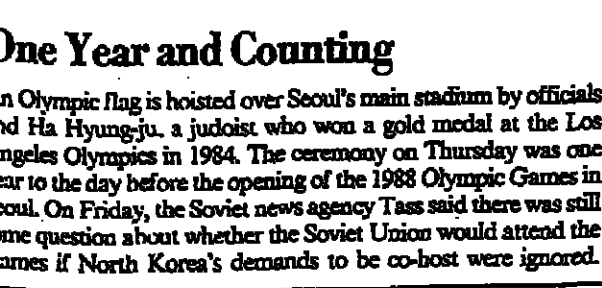
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One Year and Counting

An Olympic flag is hoisted over Seoul's main stadium by officials and Ha Hyung-ju, a judoist who won a gold medal at the Los Angeles Olympics in 1984. The ceremony on Thursday was one year to the day before the opening of the 1988 Olympic Games in Seoul. On Friday, the Soviet news agency Tass said there was still some question about whether the Soviet Union would attend the Games if North Korea's demands to be co-host were ignored.

SCOREBOARD

Baseball

Major League Leaders

Table with columns for Player, Team, and Stats. Includes names like Rogers, Mookie, and others.

Major League Standings

Table showing league standings for American and National Leagues, including teams like Detroit, Milwaukee, and New York.

Thursday's Line Scores

Table of baseball game scores from Thursday, including matchups like St. Louis vs. Houston and New York vs. Toronto.

Transition

Baseball

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Major League Standings

Table showing league standings for American and National Leagues, including teams like Detroit, Milwaukee, and New York.

SPORTS BRIEFS

Nakajima Leads in Delayed U.S. Golf

FRANKLIN, Wisconsin (AP) — Tommy Nakajima tied a course record with a 10-under-par 62 Thursday to take a 2-stroke lead in the rain-shortened first round of the Greater Milwaukee Open.

ELMONT, New York (UPI) — Manilla, the 1986 turf champion and favorite to be elected 1987 Horse of the Year, has suffered a fractured bone in his left front leg, ending his brilliant racing career two months before his scheduled retirement.

PHILADELPHIA (AP) — Wide receiver Cris Carter, picked in the fourth round by the Philadelphia Eagles in a supplemental draft, has signed four one-year contracts with the NFL club, a team spokesman said.

Fractured Bone Ends Manilla's Career

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Cartier Signs Contract with NFL Eagles

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European Soccer

WEST BERGAM FIRST DIVISION Hamburg 6, Eintracht Frankfurt 7

WORLD MARKETS IN REVIEW



ACROSS 1 Cutting remark 5 Behind bars 10 Bounds 15 He wrote "The Naked God" 19 Lotion ingredient 20 MacInnes' "Suspicion" 21 Let 22 Subject of a Keats tragedy 23 "This 'N That" author 25 Author of "The Closing of the American Mind" 27 Le Carré's "Spy" 28 U.S.S.R. river 30 Sheldon ("Windmills of the Gods") 31 Countertenor 32 Turkish royal court 33 "Round of the Far..." by 43 Across 34 Salt pans 37 A morning hour 38 Raced 42 "Network" director 43 See 33 Across 46 "Brat Farrar" author 47 P. Dickens character

Book Country III By E. T. M. A crossword puzzle grid with numbers 1-111. The grid is partially filled with letters, and some numbers are missing.

PEANUTS: IT'S SICKENING, THAT'S WHAT IT IS! I DON'T SEE HOW YOU CAN KEEP SUCKING ON THAT SAME OLD THUMB! THIS IS NOT THE SAME OLD THUMB. THIS IS THE NEW IMPROVED THUMB! BLONDIE: NOW THAT'S A WELL-STOCKED REFRIGERATOR! NOW THAT'S A SANDWICH! NOW THAT'S INDIGESTION! BEETLE BAILEY: I'M SORRY, BEETLE, I CAN'T AFFORD TO SEND YOU ANY MONEY NOW. I UNDERSTAND CAN I SAY HELLO TO MOM? HELLO, SWEETHEART... OF COURSE, DEAR...

DOWN 1 Spongolike cake 2 French name for a Syrian city 3 Surf's sound 4 "by Rita Hayworth" by 10 Across 5 "Brother Rat" group 6 One of the Bahamas 7 D.C. management 8 Midianite king 9 Book by Sally Beauman 10 Coach Curry's beverage 11 Stockholders' bonanza 12 Jim Easton's "Four" 13 "The Heart Hunter" 14 Strains 15 Type of booklet 16 "of bricks" 17 One of the "proud" items in a Murray book 18 "Mother," Poe poem 24 "Eroica" key 25 Soprano Sayao 26 Miller's milieu 27 Skin layer 28 Jim Easton's "Carlyle" 29 Gunga Din's burden 30 German pistol target 31 Campaign 32 Sub detector 33 Glazier's need 34 Like a book by 35 Down 36 Kitchen gadget 37 Couple in "A Rage to Live" 38 Dead duck 39 Shea sounds 45 Japanese beverage 46 Paul "baseball's Big Boy" 47 Like a book by 48 Gunga Din's burden 49 Actor from Philadelphia 50 Bangor neighbor 51 Pushers in Hyde Park 52 Early Peruvian 53 Pointillist's "sun- net" 54 Like the Yule tree 55 Hersey's "Pebble" 56 Ivory Coast group 57 "The Song" 1927 58 Doughboy's ally 59 Guarantee 60 Nobelist in Physics: 1914 61 Jimmy Kennedy's cousin 62 Play 63 D.C. agent 64 Town NE of Dayton 65 Snooker sticks 66 Writer Claude 67 The Great Pacificator 68 Medrick 69 Book by Björnson 70 Agcy. Ickes headed 71 "Exodus" hero

DOWN 10 Coach Curry's beverage 11 Stockholders' bonanza 12 Jim Easton's "Four" 13 "The Heart Hunter" 14 Strains 15 Type of booklet 16 "of bricks" 17 One of the "proud" items in a Murray book 18 "Mother," Poe poem 24 "Eroica" key 25 Soprano Sayao 26 Miller's milieu 27 Skin layer 28 Jim Easton's "Carlyle" 29 Gunga Din's burden 30 German pistol target 31 Campaign 32 Sub detector 33 Glazier's need 34 Like a book by 35 Down 36 Kitchen gadget 37 Couple in "A Rage to Live" 38 Dead duck 39 Shea sounds 45 Japanese beverage 46 Paul "baseball's Big Boy" 47 Like a book by 48 Gunga Din's burden 49 Actor from Philadelphia 50 Bangor neighbor 51 Pushers in Hyde Park 52 Early Peruvian 53 Pointillist's "sun- net" 54 Like the Yule tree 55 Hersey's "Pebble" 56 Ivory Coast group 57 "The Song" 1927 58 Doughboy's ally 59 Guarantee 60 Nobelist in Physics: 1914 61 Jimmy Kennedy's cousin 62 Play 63 D.C. agent 64 Town NE of Dayton 65 Snooker sticks 66 Writer Claude 67 The Great Pacificator 68 Medrick 69 Book by Björnson 70 Agcy. Ickes headed 71 "Exodus" hero

ANDY CAPP: IF I COULD GIVE YOU A BIT OF ADVICE... YOU JUST SHUT YOUR MOUTH! WIZARD OF ID: WASH! HE IN REAL ESTATE? HE STILL IS. REX MORGAN: THE YOUNG WOMAN STUDENT WHO DROVE PROFESSOR WINGATE HERE... PAUL'S HIGHLY REGARDED BY BOTH STUDENTS AND FACULTY AT THE UNIVERSITY, JUNE 19-19. IT SEEMS I CAN NEVER REACH CINDI WHEN I WANT HER! I'D BETTER FLY OVER THERE TOMORROW AND SEE HOW THINGS ARE GOING! GUP!: GREAT CHEFS KNOW IT'S THE APPEARANCE OF FOOD THAT COUNTS. BUT GREAT EATERS KNOW IT'S THE AMOUNT OF FOOD THAT COUNTS.

MAN OF THE HOUSE: The Life and Political Memoirs of Speaker Tip O'Neill. By Thomas P. O'Neill with William Novak. 387 pages. \$19.95. Random House, 201 East 50th Street, New York, N. Y. 10022. Reviewed by J. Anthony Lukas

BOOKS Dorchester to Duxbury — O'Neill is no writer. He has relied here on the narrative skills of William Novak, the man who brought you Lee Iacocca and Sidney Biddle Barrows (the "Mayflower Madam"), but that may be precisely the problem. Once the aromatic blend of O'Neill's personality has been strained through the all-purpose filter of Novak's prose, the result is a watery brew which one trusts would never be served in the House dining room. The opening chapters — recounting O'Neill's Irish-American heritage and early years — are further flawed by a broad streak of sentimentality. If sentimentality is the enemy of feeling, it is also the enemy of truth, and no people are so badly served by blarney as Boston's Irish.

REX MORGAN: THE YOUNG WOMAN STUDENT WHO DROVE PROFESSOR WINGATE HERE... PAUL'S HIGHLY REGARDED BY BOTH STUDENTS AND FACULTY AT THE UNIVERSITY, JUNE 19-19. IT SEEMS I CAN NEVER REACH CINDI WHEN I WANT HER! I'D BETTER FLY OVER THERE TOMORROW AND SEE HOW THINGS ARE GOING! GUP!: GREAT CHEFS KNOW IT'S THE APPEARANCE OF FOOD THAT COUNTS. BUT GREAT EATERS KNOW IT'S THE AMOUNT OF FOOD THAT COUNTS.

DENNIS THE MENACE: I'M JUST SHARPENING MY CARROT STICKS, SEE? A cartoon strip featuring Dennis the Menace sharpening carrot sticks.

Solution to Last Week's Puzzle: A crossword puzzle grid with the solution filled in. The grid is 15x15.

GUP!: GREAT CHEFS KNOW IT'S THE APPEARANCE OF FOOD THAT COUNTS. BUT GREAT EATERS KNOW IT'S THE AMOUNT OF FOOD THAT COUNTS. A cartoon strip featuring Gup!

WEATHER: EUROPE, ASIA, NORTH AMERICA, MIDDLE EAST, OCEANIA. A weather forecast section with tables for various regions.

World Stock Markets: Via Agence France Presse. Closing prices in local currencies, Sept. 18. A large table listing stock prices for various markets including Amsterdam, London, Hong Kong, and others.

WORLD MARKETS IN REVIEW: IN THE IT EVERY MONDAY. A WEEKLY REVIEW OF WORLD STOCK MARKETS. ESSENTIAL READING FOR INVESTORS AND PROFESSIONALS WORLDWIDE. A large table listing stock prices for various markets including Toronto, Montreal, and others.

Week 2: It Cou... A large vertical advertisement on the right edge of the page, partially cut off.



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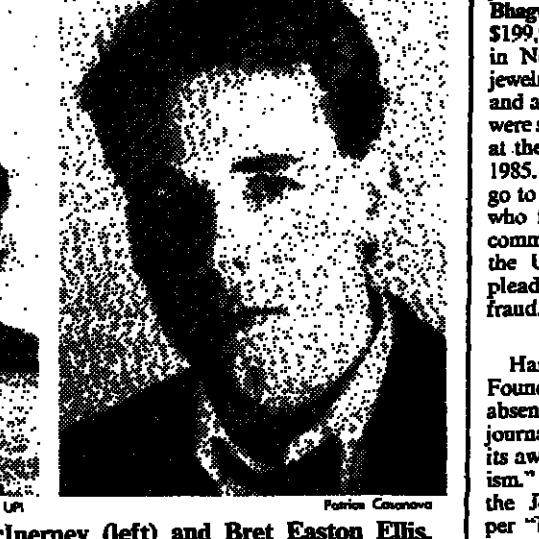
Operation Deep Nose

By Michael Winicup
New York Times Service
LINDEN, New Jersey — Ron Wastowski, county air pollution inspector, took notes while his "Deep Nose" on Trenton Point Road described a suspicious new stink. "I haven't called in quite awhile, and we've had a few smelers," said Deep Nose, a retired laborer. "To me, it's a waste solvent smell, a mixture of smells all combined into one... I think it's the sewage plant. We only get it with an east wind. Last night... wool! Had to shut all the windows."

Literary Brat Pack: Young, Brash, Rich

By Nikki Finke
Los Angeles Times Service
NEW YORK — Not since the '50s with the likes of Norman Mailer, James Jones, William Styron, John Updike and Philip Roth has a generation of first novelists garnered so much attention. Vanity Fair calls them "the young and the wastrel." Newsweek refers to them as the "divine decadents." They're a new wave of writers soaring to stardom in the '80s at startlingly young ages with innovative writing styles and big subject matter. But what really sets this new breed apart is a refusal to believe in the old romantic notions about the need for young authors to struggle. Instead, they are demanding to be published, promoted and paid well almost from the start of their careers, thereby changing the cherished rules of the writing game in distinctive and disturbing ways.

review saying, "Oh, this is just lovely." So my bottom line is I don't care what people say. I just want them to buy the book. The members of the Literary Brat Pack share other similarities. They live in New York and hang out, sometimes together, at the same nightspots. They get invited to the hottest parties and placed on the most pompous literary panels. They pontificate about life, love and writing for trending magazines like Esquire, Rolling Stone and Interview. They get offers to hawk Scotch and other products for advertisers. According to editors at several major houses based in New York, young writers — under 30 and sometimes under 20 — are getting agents and publishers with an ease never before seen and at the same time approaching the whole business with a savvy way beyond their years. Banking on these writers' ability to get their peers into the bookstores and expecting to reap large rewards, many publishers are handing out large advances to young authors who are eager to turn their manuscripts into gold. One editor says "there's a preoccupation with making money among this new generation of writers. They all approach writing in some ways like baby stockbrokers."



Tama Janowitz (top), Jay McInerney (left) and Bret Easton Ellis.

was. It's crazy, but everybody's a party to this. As someone I know said, "Who ever heard of just one lemming going over a cliff?" These days editors increasingly want to find writers while they are young and fresh — and find them first. As a result, an informal but highly effective "old boy" network connects universities with the publishing companies. For example, the author Joe McGinniss ("Fatal Vision") taught Ellis in a writing class at Bennington and then went on to become his mentor by providing him with an introduction to Simon & Schuster. Leavitt was spotted at Yale, while Janowitz made her best connections at Columbia's graduate writing program. Once these young talents are targeted, publishers wind up bidding against one another, sometimes even before the writers have produced anything worth publishing. "It used to be you'd look at someone's proposed first novel and say, 'Let's work on it for a while and then I'll see if I can get you a contract.' Now one realizes one has to snap up these people with what is in front of you, essentially," one editor says. That lack of a close writer-editor relationship may also help to explain why the Brat Pack's second novels were not as good as they might have been. Ellis, for one, boasts about how he does not allow his work to be edited. "An editor for me is someone who can correct my grammar more than anything else," he says. "I don't like to look upon it as a collaborative effort." And Janowitz readily admits that her publisher at Crown Publishers Inc., not her editor, is her best friend.

PEOPLE

Prince Andrew and his wife, Sarah, flew to New York on the Concord Friday amid secrecy and tight security. Airport officials tried to keep their departure secret, and their names did not appear on any flight lists. The Duke and Duchess of York were scheduled to attend a polo match in Greenwich, Connecticut, on Saturday in aid of the World Wildlife Fund and the Masai Mara game preserve in Kenya. On Saturday night, they were to attend a ball in aid of the American Friends of the Tate Gallery Foundation in London. The date flies back to London Sunday and the duchess Tuesday.

Jewel-studded watches and other jewelry seized from Indian guru Bhagwan Shree Rajneesh fetched \$199,980 at an auction at Christie's in New York. The 23 pieces of jewelry, which included a bracelet and a jeweled headband ornament, were seized by the U.S. government at the time of Rajneesh's arrest in 1985. Proceeds from their sale will go to the U.S. Treasury. Rajneesh, who founded the Rajneeshpuram commune in Oregon in 1981, left the United States in 1985 after pleading guilty to immigration fraud. Harvard University's Nieman Foundation Thursday honored in absentia a black South African journalist, Zakes Mda, with its award for "integrity in journalism." Mda, who is the founder of the Johannesburg-based newspaper "New Nation," did not attend as he is being held in detention in South Africa. King Juan Carlos of Spain Friday was awarded the United Nations-sponsored Nansen medal in recognition of his special contribution to the cause of refugees. Michael Jackson took his pet chimpanzee on a rare social call on Friday, dropping in on the mayor of the Japanese city of Osaka, Japan's chimp, Bubbles, sipped Japanese green tea and sat quietly next to his master during the visit to see Mayor Yasuaki Oshima. "We were surprised to see the chimpanzee, but we understand he is his [Jackson's] good friend," a city official said. "This is the first time an animal ever entered city hall." Jackson is touring in Japan.

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PERSON FRIDAY required for Executive Chairman, Hyde Park home care

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DUTCH WOMAN aged 25+ with 3 years experience in international agencies

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WANTED: Temporary, experienced teacher for grades 4, 5, 6, 8, 9 and 10

EMPLOYMENT
GENERAL POSITIONS AVAILABLE
WANTED: Temporary, experienced teacher for grades 4, 5, 6, 8, 9 and 10

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EMPLOYMENT
DOMESTIC POSITIONS AVAILABLE
AU PAIR FOR NICE New Jersey for 1-3 child family in NY, USA

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DOMESTIC POSITIONS AVAILABLE
AU PAIR for infant girl 1-3 years old in NY, USA

EMPLOYMENT
DOMESTIC POSITIONS AVAILABLE
AU PAIR for wonderful family, 2 children ages 8 & 9, 3 sons

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DOMESTIC POSITIONS AVAILABLE
AU PAIR LOVELY NY suburbs, 2 children ages 8 & 9, 3 sons

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MANNY AGENCY with established London, has available experienced governesses

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AU PAIR for 18 yrs girl & baby on the way, live in NY, USA

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EMPLOYMENT
DOMESTIC POSITIONS AVAILABLE
NATIVE English speaker to assist French / American couple in Madrid with 2 children

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